

STAFF REPORT

SUBJECT: AMENDMENT TO THE DOWNTOWN FAÇADE GRANT PROGRAM REGARDING ELIGIBILITY FOR THE REHABILITATION OF HISTORICALLY SIGNIFICANT, CHARACTER-DEFINING FEATURES

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. 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. This program is available to property owners within the area generally described as from 6th Street to the railroad tracks, Duff Avenue to Northwestern Avenue, and along Kellogg Avenue to Lincoln Way (Attachment 1).

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 to 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 overall district. If grant requests exceed the available funding, the program criteria for front façades includes preference for façades that have not received funding in previous rounds. Attachment 2 provides an overview of the intent and process for the façade grant program, and Attachment 3 outlines the scoring criteria. Attachment 5 is the specific Eligibility Criteria.

The program is designed to operate with two application cycles. The first cycle is typically in the summer. If there are funds remaining after first round awards, 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 both new projects and potentially second façades for properties that have previously received a grant.

PROPOSED MODIFICATIONS:

Staff regularly hears from property owners about including a variety of work within the scope of the grant that relates to historic features. Often this work is viewed as maintenance and is not an eligible activity. As a result of the recent listing of Downtown on the National Register of Historic Places, staff recommended as part of its work plan that City Council consider changes to the façade program that may help maintain the integrity of existing character defining features.

Council gave direction to proceed with amending the program to include eligibility for the rehabilitation of historically significant, character-defining features within the priorities of Downtown Façade program. This category of façade improvement for historic rehabilitation is proposed to include the repair of original windows, including transom prism glass, and distinctive features such as cornices that might be at risk of removal (Attachment 4).

For one example, in 2021 it was estimated that restoring a transom on the Octagon would cost \$15,000. If it was an eligible expense with normal 50% match requirement, they would have received a \$7,500 grant. It was also noted to staff as part of the discussion, the replacement with modern glass was approximately \$5,000. However, the replacement costs would not be grant eligible as it would be considered maintenance.

The key to crafting this category is to distinguish between regular maintenance activities and those that enhance or preserve the visual appeal of Downtown. Additionally, staff needs guidance three options listed below regarding how to mesh the proposed rehabilitation of an historic feature with scoring criteria, grant amount, and application procedures for Downtown. With direction from City Council on preferences for administration of the amendment, staff will return with an updated set of procedures for City Council to approve at a future meeting.

Staff proposes to alter the eligibility criterion to allow for rehabilitation of a feature on its own, without making other improvements consistent with the guidelines as currently are required. This category would only apply to contributing properties to the National Register District. This represents a change to the Façade Program, as its primary goal is to improve façades consistent with the guidelines and open additional, or create better, commercial space. Some details of this concept may require that the façades already be compliant with the guidelines to ensure the basic intent of program is met and that it is not viewed as an enhanced maintenance program.

Option 1 – Create a New Category of Eligible Façade Work Involving Historic Rehabilitation in Addition to the Current Eligibility Criteria

This option would support the creation of a new category of work eligible for a façade grant. **An applicant could apply to receive matching funds for historically significant, character-defining features independent of any other work being done on the property.** For instance, a property owner could apply for a grant to restore historic, second-story windows without doing any other repair, such as removing alterations to the ground-level that do not comply with the adopt Downtown Design Guidelines.

The funding mechanism is proposed to remain the same: a matching grant with maximum of \$15,000 for eligible work. The design fee allowance of \$1,000 would only apply if use of an architect is needed for the project.

The activity is only eligible to apply for a grant as part of the Winter (2nd Round) application period. Apply the current scoring criteria as applicable, with no specific changes to categories or weighting.

Option 2 – Create a New Category of Eligible Façade Work For Historic Rehabilitation Be Done in Conjunction with Currently Eligible Grant Work as a Second Grant

This option differs from Option 1 by requiring funds for rehabilitation of historically significant, character-defining features being tied to other grant-eligible work. All the work to be done would be a part of one application and follow existing procedures. However, to promote historic preservation along with substantial rehabilitation it would provide for a second concurrent grant of up to \$15,000 related only to the historic rehabilitation component. This would allow for a total of \$30,000 to be awarded in this scenario.

This option would follow current application requirements for new projects in the summer and second or additional projects in the winter. The scoring criteria would not be changed.

Option 3 – Create a Set-aside for One Historic Rehabilitation Grant Per Year

This option would reserve funding of up to \$15,000 for a historic rehabilitation project within the Façade Program requirements. This option would make at least one grant per year for historic rehabilitation that would not have to compete against other types of façade grant requests. If there were requests for more than \$15,000 for rehabilitation grants, they would be evaluated against all other proposals. If there is not a request for the historic rehabilitation funding in any one year, the reserved \$15,000 could then be applied to other grant requests in the Winter application period.

HISTORIC PRESERVATION COMMISSION:

On May 9, 2022, staff presented the idea of amending the façade grant program to the Historic Preservation Commission. The Commission voted to support adding the rehabilitation of historic character defining features as part of the Downtown Façade program. No specific suggestions or requirements were offered by the Commission as part of their support.

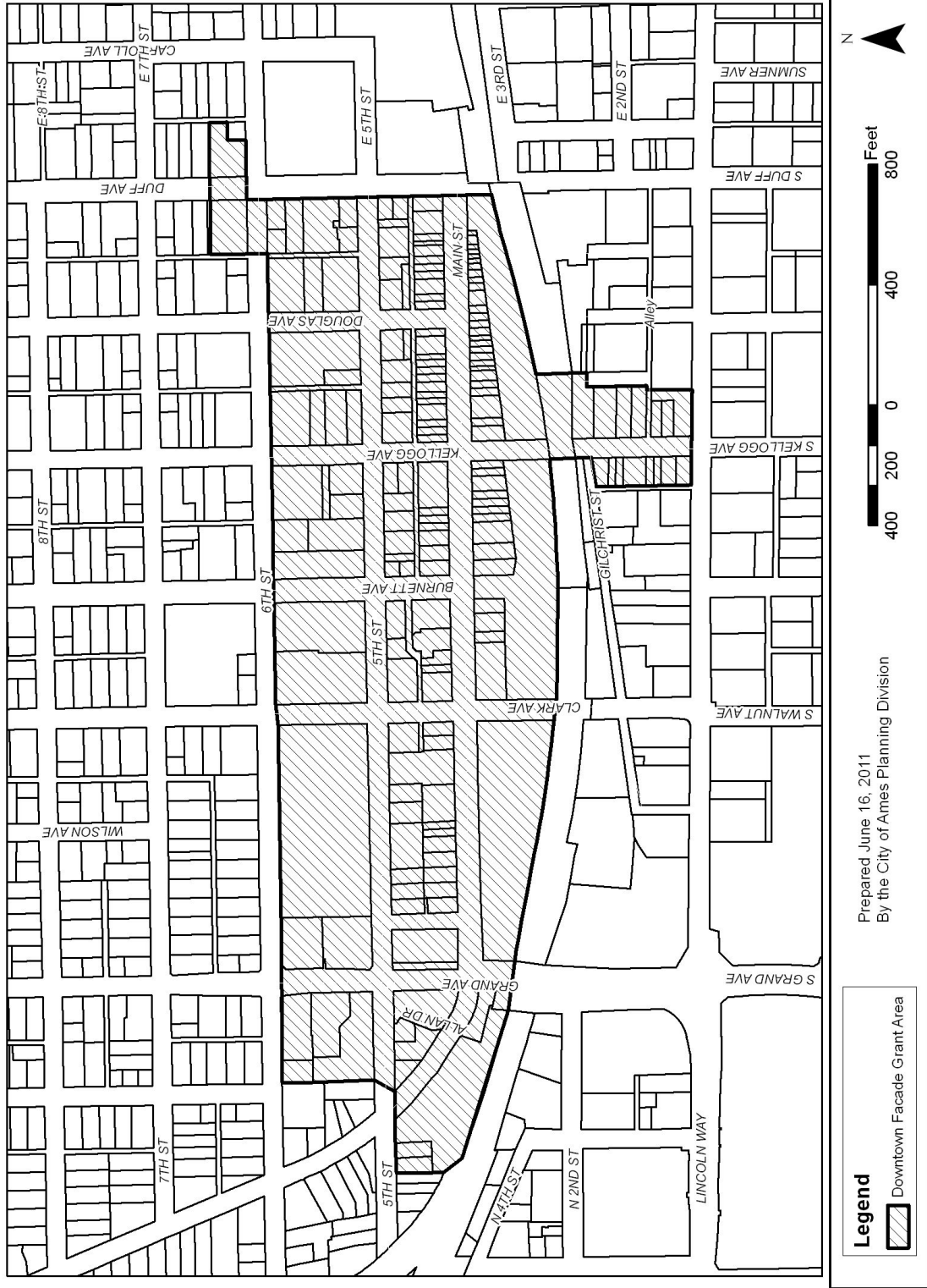
STAFF COMMENTS:

As currently structured, the Downtown Façade Grant cannot be used for maintenance. Rather, the grant is intended to bring non-compliant façades into compliance with the adopted Downtown Ames Design Guidelines. This has meant that certain historic features have been lost from several buildings, including prism glass transoms windows from the Sheldon-Munn Hotel. **Staff supports the modification to the grant program to include historically significant, character-defining features as this will promote the preservation of building façades in Ames. Staff would recommend pursuing Option 1 as a balanced approach to meeting multiple objectives of the overall Façade Program.**

Once the City Council selects a preferred option, the Staff will bring back at a future meeting the revised Downtown Façade Program for formal approval.

Attachment 1: Eligibility Map

Downtown Facade Grant Area



Prepared June 16, 2011
By the City of Ames Planning Division

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 façades 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
- Façade 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
Examples of Historically Significant, Character-Defining Features



Octagon Transom



Attachment 5

Downtown Façade Grant

Eligibility & Terms

1. Eligibility Requirements

- Eligible participants include the owners and/or tenants of buildings located inside the boundaries of the project area for the *Downtown Design Guidelines*, which contain Office Uses or Trade Uses as defined by the Ames zoning ordinance.
- Ineligible participants include the owners and/or tenants of residential structures and buildings owned by the government, churches and other religious institutions, to the extent prohibited by State and Federal guidelines.
- Concurrence of the property owner is required, in writing, before improvements proposed by the tenant can be considered for approval.
- Improvements must be made to one or more of the façades of a building and the design of such improvements must comply with the current *Downtown Design Guidelines*.
- For Historic Façades, grant money will be provided for replacing existing compliant elements only when the proposed project also includes replacing non-compliant elements with compliant elements.
- For other existing buildings whose design is not consistent with the Historic Façades as described in the *Downtown Design Guidelines*, grant money may be provided for additions or alterations that comply with the section “Other Buildings” in the current *Downtown Design Guidelines*.
- Grants may be offered if all non-compliant elements of the entire façade or of all façades intended to be improved are not to be improved under one grant project. However, the improvements must contribute to a project that, when complete, will be generally consistent with all design standards. To determine this, an application must include elevation plans for all façades intended to be improved showing how they are intended to look when complete.
- For all projects for which all improvements will not be completed under the grant, the scope of proposed improvements for the grant shall be visually significant in the context of how the whole building is intended to look when all improvements to the façade are complete. The City may approve a grant based upon a proposed improvement’s contribution to the finished product, and may deny a grant for improvements that, while compliant in part, are not visually significant in terms of how the overall building is intended to ultimately look when all improvements to the façade are complete.
- If a project is phased, a grant shall be offered only to those improvements that are done in correct sequence of construction. For example, a finished project may require installing or changing windows, in some cases siding is installed after windows are in place. In such cases the windows would need to be replaced before grant monies may be expended on siding materials