ITEM #:	30
DEPT:	P&H

Staff Report

DOWNTOWN FACADE GRANT CHANGES FOR REAR FACADES AND MAINTENANCE

September 10, 2024

BACKGROUND:

The Downtown Facade Grant Program was created in 2000 to facilitate private improvements to Downtown retail and other commercial storefronts. City Council considered a request from Scott Moorman on August 13th to consider changes to the program to include rear facades, which included adding maintenance activities as eligible. Currently neither of these activities are eligible for a facade grant.

The current Facade Program utilizes matching grants to encourage building owners to make changes to the non-compliant facades that will bring traditional structures into line with the historic character of Downtown. A building is only eligible for the grant if changes needed to be made to update its appearance for removal of non-compliant elements or for rehabilitation of historic character defining features, such as original wood windows. Replacement of like for like features that are already compliant elements are not eligible. The Downtown Design Guidelines for building facades can be found on the Planning Division webpage. The most recent application packet from Spring 2024 that describes the program requirements is also available online.

City Council has from time to time revisited the Downtown Facade Program and its requirements. Staff believes the most significant Council decisions about the program and how it currently operates include:

- 2011/12 updates to project eligibility for front facades, two grant application periods, and creation of scoring criteria for competitive grant reviews;
- May 2022 review of the program for historic preservation, resulting in the creation of a new Historic Feature rehabilitation grant option; and
- May 2023 decision to increase the per grant funding from \$15,000 to a maximum of \$25,000.

ORIGINAL REQUEST:

Staff spoke with Scott Moorman about his request prior to the August 13th meeting to gain a better understanding of his interests. He outlined the following as his intent for the property for the back of the building at 226 Main Street:

- Paint a mural
- Repoint the brick (the brick facade at the rear is not original to the building)
- Structural repairs
- Repair the stucco on the east and west sides
- Replace the windows

Mr. Moorman explained that no design changes were proposed to the existing facade. Mr. Moorman also stated that he would like to see other properties on the south side of Main Street have funds available for work on the rear of those structures.

COUNCIL DIRECTION:

At the meeting on August 13th, Council directed staff to return with language that 1) expands the grant program to cover rear facades of buildings that contribute to the Downtown Ames Main Street National Register Historic District and 2) expands the program language to include costs for structural maintenance of those buildings with the understanding that the current grant guidelines will be a priority, with maintenance being the lower priority to the existing program.

City Council did not indicate that development of new specific guidelines was desired at this time as Facade Program Updates were not included in the Planning Division Work Plan. Staff's approach to addressing the new rear and maintenance objectives is to consider the current program guidelines and its general intent.

OPTIONS:

The existing program is designed to award grants that make permanent improvements to the buildings that enhance the commercial aspects of building and are based on compliance with the adopted design guidelines. The key is to remove noncompliant features and then make improvements consistent with the guidelines. These guidelines were created for the historic, commercial front of the buildings. The current guidelines do not include any standards for the rear or alley-side of historic structures and do not address maintenance eligibility. As such, applying these guidelines to parts of the building not facing a street will be difficult if not impossible, since the objectives are not the same. The only application of the current guidelines staff could identify are putting windows in openings that have been filled in or removing additions to the buildings that restore what was originally built. Establishing what was original, however, will be difficult as there are few historic photos of the rear or alley-side of these structures.

REAR FACADE ELIGIBILITY:

Absent direct design guidelines, staff believes evaluation of rear improvements will be subject to much more discretionary review and decision making by the City Council based on general expectations. Staff proposes the Council consider the following for Rear Facades improvement eligibility:

- Eligible facades are only those along rights-of-way, including alleys or the CDB parking lot, and only for contributing buildings to the Historic District.
- Rear facade grants are only allowed in the spring application round.
- Rear improvements are to follow eligibility requirements of a regular front facade improvement grant, meaning the project must remove noncompliant elements on the facade and improve the facade to its historic character. *(same as the front)*
- Only buildings with ground floor commercial, office, and trade uses are eligible. (same as the *front*)
- The Design Guidelines were written for building storefronts and other building improvements, such as opening up windows and restoring characteristic features. These guidelines will apply to proposed rear changes, but the program will not require a storefront improvement as would be the case in the front. *(same as the front, to extent practicable)*
- Grant awards will be prioritized for those facades that are readily visible from public streets and public parking lots; any building face distant from a street would be a secondary priority, as it is lacking public use and general visibility.
- Due to the lack of defined guidelines, each proposal will be evaluated on case-by-case basis for

its visual significance and general improvement of its historic character. A final determination will be made by City Council for consistency with the intent of the program. As is the case with all current grant requests, there is no guarantee in any one year that a grant will be awarded for a rear facade improvement.

The rear would also be eligible to receive funding to preserve character defining, historically significant features under the current rehabilitation grant option.

MAINTENANCE ELIGIBILITY:

Planning staff met with Inspections staff to discuss what structural maintenance should include and our experience with building conditions downtown. Discussion revolved around intent of the Council for building stability, focus on perimeter or exterior elements of a facade, improvements to be consistent with historic character, and that how or why a building is in disrepair is not a criteria.

Staff concluded that the following items be included as maintenance that is eligible for funding, for any facade of a contributing historic building:

- Repair of exterior walls external repair only. *This includes the repointing of brick walls and structural repair.*
- Foundation repairs
- Roof repair/replacement external repair only

Staff concluded that the following activities would <u>not</u> be eligible for funding as maintenance of structural features of the building:

- Replacement windows/doors (note that a rehabilitation grant or removing noncompliant features would otherwise remain as eligible work)
- Painting
- Signage or murals
- Lighting
- HVAC systems
- Awnings or canopies
- External stairways
- Redesigned facades
- Internal structural elements are not eligible.

In discussions with Inspections, Planning staff realized that a method of evaluation of the worthwhile-ness of the activity was needed for maintenance grants. Staff members discussed requiring a structural evaluation of a building by a qualified architect or engineer to assess what work needed to be done, as opposed to what work may be cosmetic or not have lasting value. The intent is to have some type of evaluation of the structural soundness of the building to prioritize improvements needed for the long-term integrity of the building. The program currently has this as optional requirement for front facades. Staff would be able to require this assessment prior to grant award if deemed necessary. Up to \$2,000 would be available to offset the cost of the evaluation along with the maximum award amount of \$23,000.

Council Members stated at the August meeting that they would like to see maintenance funding available in the second, spring round of funding. Priority is to be given to the existing facade grant program.

With maintenance grants there would be no guarantee of funding as it is competitive against other

priorities. One downside of creating this category of assistance is promotion of maintenance deferral to potentially be eligible for a grant. Staff could not identify a solution to this concern.

STAFF COMMENTS:

The goal of the Downtown Facade Grant Program is to facilitate commercial building improvements in Downtown Ames and reinforce its historic character. Since its inception, the Downtown Facade Grant Program has awarded three loans and 53 grants, four of which were later withdrawn by the applicants. Along with other City investments Downtown, the program has had a noticeable impact on Downtown, including the Moorman's Clothier building that is part of this discussion.

Council directed staff to consider improvement grants for rear facades and for structural maintenance, both for contributing historic buildings to the National Register District. The proposed options address what staff feels are appropriate expectations in relation to making significant improvements to buildings that will enhance the quality of buildings downtown, consistent with the original intent of the program. Without more detailed discussion of design interests for the rear of buildings, staff believes the proposed changes should be viewed as interim until we have reviewed specific proposals and had the benefit of input from the upcoming Downtown Plan initiative. Some of Mr. Moorman's interests are addressed with the proposed facade grant changes, but not all of his original proposal would be eligible. Staff provided notice of the item to Mr. Moorman and to the Downtown Ames Executive Director in advance of the Council meeting.

If City Council supports the language provided for Rear Facades and Maintenance or has modified language, it can direct staff to prepare updated Facade program documents for Council approval at a future meeting. If Council does not decide to pursue amendments at this time, no action is needed.

ATTACHMENT(S): Attachment A - Historic District.pdf