

Facade Grant Program Information

Introduction

East Chicago is undertaking an ambitious citywide revitalization plan in an effort to draw more people back to the businesses throughout the city. The appearance of the business structures will factor heavily into the success of these renewal efforts. Currently, the city has been distinguished by the charm of its buildings and pedestrian scale. Unfortunately, many of these structures have unmet maintenance needs that are hastening in decline of their facades.

The East Chicago North Harbor Facade Grant Program seeks to address the maintenance and rehabilitation needs of building facades inside of the North Harbor Business District Grant program by offering **80/20** matching grants to interested, qualified building owners. Building Owners - Landlords with Business Owners who are Commercial Tenants with at least a two-year leasehold may apply for funds. However, Commercial Tenants cannot initiate an application without the express written permission of the building owner and the owner's approval of the project described in the application. Please refer to East Chicago City Council Resolution No. 14-0003, Section IV for specifics and details about eligible participants. The Department of Planning and Economic Development (DPED) and Economic Development Commission (EDC) will administer the program.

The Mayor and City Council believe this program is in the public interest and that the City has a responsibility to preserve and protect the unique local resources found in East Chicago. The Mayor and City Council also believe that by investing public resources in the business community, more private entities will find East Chicago to be an attractive place to invest.

Financing Terms

Grants may be awarded to building owners for up to **80 percent** of the total cost of a qualified facade rehabilitation, repair or restoration project, with a maximum grant award of $25,000 including up to $1,500.00 for Architectural or Engineering service fees. The annual budget for this program is $100,000.00.

The applicant must match the grant with cash. "**Sweat equity**" labor provided by the applicant, the owner, or any other non-skilled laborer cannot be charged against this grant.

Grants awarded under this program shall be disbursed as direct payments to contractors. Disbursements will only be made upon project completion and after the applicant demonstrates full compliance with the grant award.

This grant may be treated as income subject to Federal Income Tax provisions. The City of East Chicago is not liable for any tax implications resulting from the grant. Applicants should consult a tax advisor for clarification.

Eligible Improvements

The Facade Grant Program seeks to encourage facade improvements ranging from minor projects to complete facade renovation. The Grant Program will not fund projects that constitute routine maintenance.

The following list illustrates the types of projects that may be funded by this grant program.

1. Exterior street facing walls of eligible buildings.
2. Exterior renovation, restoration, or reconstruction, including but not limited to the following:
    a. Facade washing/Brick cleaning
    b. Removal of historically inappropriate materials from facades
    c. Sign repair if sign is integral to building facade
    d. New signs if the proposed sign is a high-quality representation of signs displayed in the historic era generally found in Downtown East Chicago.
    e. Lighting
    f. Awnings/canopies
    g. Window restoration and replacement
    h. Painting
    i. Door replacement
    j. Restoration of original architectural features
    k. Window display area remodeling
    l. Exterior lighting
    m. Parapet repair
    n. Tuck-pointing or Repointing to repair and restore weathered or damaged masonry
3. Architectural design fees up to $1,500.00
4. Engineering services of up to $1,500.00
5. Landscaping immediately adjacent to the building.

Grants will NOT be awarded for projects that may cause damage to the building's facade.

Specifically,

- sandblasting of brick will not be funded under the program; nor,
- will the program participate in projects that include sandblasting of brick.

In general, grant funds may not be used for:

- improvements completed; or,
- in progress prior to notification of grant approval

However, the DPED/EDC may waive this requirement on a case-by-case basis on the recommendation of the City Planner or his designee.

Restoration projects that accurately replicate historic architectural elements shall be given funding priority. Preference will be given to structures of architectural or historic significance as determined by the DPED. Properties lacking architectural or historic significance may be deemed eligible for the program if proposed changes will create a facade typical of the architectural periods predominantly represented in East Chicago.

Grant funds will be disbursed only upon completion of the project and submission of lien waivers from all laborers and material suppliers.

Exterior improvements must comply with all other applicable City codes and registrations. Exterior improvements must comply with City ordinances.

Eligible Participants

Building owners (Commercial tenants with written permission from the building owner as previously detailed) of commercial or mixed commercial-residential property located in the grant District may apply for funds. Tenants must have at least a two-year leasehold at the location at the time of application in order to qualify for the grant program. Commercial buildings are those buildings with commercial uses on the first floor. Residential uses are allowed above the main floor.

Eligible Properties

Only properties located INSIDE of the North Harbor business district (referred as the North-Harbor Program), as defined below, may benefit from this program.

For purposes of this Facade Grant Program, the North Harbor Business District is defined as:

1. **Main Street:** the **3700** through the **3800** Blocks of Main Street to the intersection of Main Street and Columbus Drive in the **Indiana Harbor section of East Chicago**.

2. **Broadway**: the **2200** through the **2300** Blocks of Blocks of Broadway Drive in the **Indiana Harbor section of East Chicago.**

Only structurally sound buildings with safely functioning mechanical/electrical/plumbing systems will be considered for grants. In addition, the building Owner must show evidence of insurance on the property and name the City an additional insured to the extent of any grant funds awarded.

Additional Grant Provisions

Neither the City nor the members of the DPED/EDC are liable for damage to the building or personal injury that occurs during the project. All contractors and subcontractors used for work funded by this grant must hold all requisite licenses.

No grant funds shall be assigned or pledged to any third party, nor be used for any purpose other than payment of eligible project costs as approved by the DPED/EDC.

No grant recipient may engage in unlawful discrimination nor contract with any person or entity that engages in unlawful discrimination, as defined by the City's Human Rights Ordinance.

The successful applicant agrees to maintain the property and improvements, including, but not limited to, promptly removing graffiti, sweeping and shoveling in front of the property. If the sign or other improvement which is the subject of the grant is removed within two years, the grantee shall not be eligible to participate in this grant program for two (2) years.

NOTE: The EDC reserves the right to deny any grant application or make changes in conditions of the Facade, Sign or Awning Program as warranted.

Recipients of any facade grant funds must agree to observe all applicable federal, state and local laws pertaining to the use of grant funds.

Projects must be completed in accordance with the procedures set forth in this document within 90 days from the date of the EDC meeting in which the grant was awarded or grant approval will automatically be revoked. The EDC reserves the right to allow a reasonable extension of time upon receiving a written request from the applicant to do so.

The EDC reserves the right to prioritize the applications on the basis of the location of the project, the extent of the work, the level of private funding and the relative impact of the proposed improvements on the area. In addition, the EDC reserves the right to reject any applications regardless of the availability of funds.

Applicants must obtain all applicable business licenses before the grant application will be considered by the EDC. Applicants who have not obtained a business license or building owners who do not have a property licensed commercial tenant are not eligible under this program.

The applicant may not serve as his or her own contractor. The grantee's business or business of grantee's commercial tenant must be open for business within 30 days of project completion.

There is a $25,000 lifetime cap on grants per property. The EDC shall only consider a single grant request pertaining to one site, unless there is unanimous approval of a subsequent grant request for the property by EDC members, and the grand total of grants for said property under this program does not exceed the $25,000 cap. Building owners may apply for grants for separate sites or properties in which they have an ownership interest.

Grant Application and Approval Process

1. The applicant must Contact the Department of Planning and Economic Development (219) 391-8205 for a Facade Application.

2. Complete Facade Grant Application and submit as instructed on application. Return envelopes will be provided upon request. Application must be complete with the required plans and detailed information requested. Consult with the Department of Planning and Economic Development staff in preparation of the application. Applicants are encouraged to review any available Design Guidelines and Zoning Codes prior to project submission.

3. Applications shall include an inspection of the site by one of the following, who shall note all code deficiencies and submit a report regarding the same as part of the application.
    * A City of East Chicago Building or Code Enforcement Officer;
    * Licensed Inspector; or
    * A licensed architect or structural engineer, or professional engineer to verify the building is structurally sound.

4. The Department of Planning and Economic Development will review the application with the applicant and will then forward the application with a recommendation regarding the grant to members of the Economic Development Commission (EDC) before the EDC's next regularly scheduled meeting.

5. The EDC will review the application at its next regularly scheduled meeting. The EDC will attempt to act upon the grant request at this meeting; however, the EDC may request additional information from the applicant or delay final action on the grant request for other reasons. Written notice of the EDC's award decision will be provided in 45 days or sooner.

6. The EDC will not approve a specific grant amount until it has seen at least three (3) written estimates from qualified contractors. Grant funding will be based on the lowest reasonable bid from a qualified contractor. The applicant may use a higher bidder; however, the grant award will not cover the additional expense.

7. After the EDC approves the application, the applicant receives approval to begin. This approval does not circumvent ANY City requirement needed to do the improvements and/or construction.

8. The applicant must also obtain a letter of approval from the EDC prior to starting the project;

9. The EDC chairperson in writing must approve all change orders. If the applicant at any time deviates from the requirements set out by the City Planner or his/her designee and fails to obtain a valid approval for such deviations, the grant will no longer be available. If, during the course of the project, unforeseen difficulties increase the cost of the project, the applicant may seek expedited review of a request for additional funds as long as the applicant has not already received the maximum grant amount available. The EDC chairperson and City Planner or his/her designee will conduct the expedited review. The applicant shall be responsible for the cost of change orders or occurrences that increase the cost of the project above the limits of this program.

10. Necessary building or sign permits must be obtained before work begins. Questions regarding building or sign permits should be directed to the City Building Department (219) 391-8294.

11. Prior to the release of any grant funds, the applicant must submit to the City lien waivers and a project completion report, including copies of all bills, receipts, and cancelled checks associated with the project, and proof of the payment of prevailing wages. In addition, such a report shall include evidence that such project for which the grant was awarded is 100% complete. The building inspector shall make a final on-site inspection of such completed project prior to the release of any grant funds for such project. In addition, the EDC, the City Planner acting on behalf of the EDC, or the City Planner's designee may also inspect and approve of the project upon completion prior to the release of grant funds.

Grant Awards and Disbursements

Once the applicant has submitted all required/requested application forms and supporting documentation and has otherwise demonstrated full compliance with grant criteria, the EDC will make a determination as follows:

1. Determine the exact dollar amount being awarded to the successful grant applicant/grantee.

2. Determine the scope of the project being awarded, including which specific improvements are approved; or determine that the application is approved in its entirety.

3. Reject the grant due applicant's failure to comply with requirements or goals of the program, lack of availability of funds, or other reason.

Payment of Grant Awards - Once awarded, grants under this program shall be disbursed as direct payments to contractors. Such grant funds will be paid to qualified, licensed contractors only after the applicant, and his or her selected contractor demonstrates full compliance with the program requirements. Disbursements will only be made upon project completion.

Requirement for Grantee Payment of 20% Match - Grantee must provide to the EDC, proof of payment of 20% of the eligible costs associated with the project under this program. The grantee's payment of the matching funds and proof thereof must be provided to the EDC before any disbursements under this program will be made by the EDC. Such proof shall include, but not be limited to the following documentation:

1. Original receipts for purchases of materials.

2. Original paid invoices for any expenses paid directly to contractors or vendors.

3. Copies (front and back) of cancelled checks.

4. Original receipts for any tools or equipment rented specifically for the project.

5. Photographs (before and after) of completed work.

6. Building Inspector's inspection report of the project, in conjunction with building permits to demonstrate that the work was performed pursuant to the permit and/or that the project phase is complete.

7. Other documentation/business records which prove payment of eligible costs has been made directly by grantee.

EDC Review of Documentation - The EDC will review requests for payment, along with copies of supporting documentation and photographs. The EDC shall then review all documents, and evaluate them in light of the project plan contained in the application. Once the EDC has reviewed all relevant documentation:

1. The EDC may then approve payment for work performed on the project, and provide the Grantee notice of its approval of payment to the Contractor.

2. The EDC may reject requests for payment of work that is outside of the scope of the project plan, or not otherwise contemplated in the application approved by the EDC, or for work that does not meet the City Building Code.

3. No advance payment will be made to contractors for work that has not yet been performed, or other expenses that have not actually been incurred.

Payment for work performed by Contractor

1. Grantees shall be responsible for submitting requests for payment to the EDC for their contractor(s) and vendor(s). Payment request and supporting documentation must be submitted within 30 days of project completion. Such request shall be submitted on the required form(s) signed by the grantee, including supporting documentation such as original invoices and photographs of work performed.

2. **Payment of Grant Awards** - Once awarded, grants under this program shall be disbursed as direct payments to contractors. Such grant funds will be paid to qualified, licensed contractors only after the applicant, and his or her selected contractor demonstrates full compliance with the program requirements. Disbursements will only be made upon project completion.

3. **Final Payment Checklist -** Grantees must submit the required payment request forms describing work performed to date along with the following documentation to the EDC. A list of this information shall be provided within the ***City of East Chicago Facade Program Information - Contractor*** document which will be submitted for previous approval of the agreement by the contractor before commencing any scope of work:

    a. Original receipts for all materials purchased, or supplied by the contractor.

    b. Original contractor paid invoices for any expenses paid directly to contractors or vendors.

    c. Copy (front and back) of cancelled checks where applicable.

d. Original receipts for any tools or equipment rented specifically for the Project.

e. Photographs (before and after) of the completed project, or phases. Thereof, Photographs must be of a sufficient quality and resolution that the work performed can be reasonably ascertained from the photographs.

f. Building inspector's inspection report of the project, in conjunction with building permits to demonstrate that the work is being performed pursuant to the permit and applicable building standards, or to demonstrate that the project is complete.

g. Other documentation/business records which proof of payment as evidence of project eligible related costs/expenses has been made directly by grantee.

4. **Signatures Required.** The EDC may require the grantee, and/or the contractor to sign the payment request form, any or all documentations on the payment, checklist, and any other document that is submitted in support of the request for payment. Refusal to sign or attest to such documents on the part of the grantee, contractor or other vendor of the grantee may result in all or part of a payment request to be rejected by the EDC.

ASSISTANCE or QUESTIONS?

EAST CHICAGO FACADE GRANT PROGRAM CONTACT LIST

Controller's Office	Roselyn Sakevicius Business License	(219) 391-8220
Planning and Economic Development	City Planner	(219) 391-8205
Law Department	Legal Counsel	(219) 391-8291
Building Department	James Portalatin Building Commissioner	(219) 391-8294



Facade Grant Program Application

The City of East Chicago will fund up to **80%** of the cost for facade improvements for properties in designated areas **INSIDE** of the North Harbor District Grant program. Property owners are eligible to receive grants not to exceed $25,000 for facade improvements, funding permitting. Building Owners - Landlords who have Commercial Tenants however cannot initiate an application without the express written permission of the building owner and the owner's approval of the project described in the application. The grant applies to the **street facing facades** only. Grants will only be awarded to projects that are approved by the Economic Development Commission (EDC) by recommendation of the City Planner or designee **prior to the start of work.** A written confirmation from the Economic Development Commission must be provided prior to construction or installation. Please see the Facade Grant information packet and East Chicago Common Council Resolution No. 14-0003 for program details and specifics.

Statement of Understanding

The Applicant agrees to comply with the guidelines and procedures of the City's Facade Grant Program and the conceptual design and outline specifications as agreed to by the Applicant and the Department of Planning and Economic Development.

The Applicant understands that he/she must submit detailed cost documentation, copies of building/sign permits, bids, contracts, invoices and contractors' final waivers of lien upon completion of the approved improvements.

The Applicant agrees to hold harmless the City and the Economic Development Commission, City Planner or his/her designee for any damage to the building or personal injury that occur as a result of work funded by this grant.

Recipients of any facade grant funds must agree to observe all applicable federal, state, and local laws pertaining to the use of grant funds.

_____ _____

Applicant Signature Date