



Meeting Date: 04/04/06

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input checked="" type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Brian D. Pendleton, Redevelopment Services Manager *BDP* Agenda Item No. N-1  
 Reviewed By: City Manager *[Signature]* City Attorney *[Signature]* Finance *[Signature]* Other N/A

**DATE:** March 27, 2006

**TO:** City Council  
Community Development Commission

**FROM:** Curtis P. Cannon, Community Development Director *Curtis P. Cannon*  
Community Development Department

**SUBJECT:** 2006 Downtown Façade and Paint Improvement Program

**RECOMMENDATION**

That City Council approve the 2006 Downtown Façade and Paint Improvement Program (Program) and authorize the Community Development Director (Director) to execute Program agreements and related documents with approved applicants to implement the Program.

That the Community Development Commission (CDC) approve the 2006 Downtown Façade and Paint Improvement Program (Program) and authorize the Community Development Director (Director) to execute Program agreements and related documents with approved applicants to implement the Program.

**DISCUSSION**

The Program is intended to provide financial assistance to commercial businesses in the Central Business District (CBD) for exterior physical improvements to help revitalize and strengthen the economic base of Downtown Oxnard. The physical improvements will complement revitalization efforts in the Downtown including Plaza Cinemas and Centennial Plaza, the parking structure, infrastructure improvements to lighting, parking lots and alleys, and new residential construction. In addition to providing financial assistance for physical improvements to buildings, the Program will also include architectural services (Tier No. 2 Projects) to assist applicants with designing the improvements and provide project oversight. In summary, the Program is designed to:

- Achieve a more attractive, unified, and architecturally integrated Downtown.
- Encourage a strong commercial core through building improvements.
- Encourage continued Downtown revitalization efforts by leveraging public funding with private investment.

### **Background**

In 1995, the Community Development Department implemented a Downtown Enhancement and Rehabilitation Program for the CBD. At that time, the City Council appropriated Redevelopment Tax Increment Funds totaling \$165,000 to ten businesses, ranging in amounts between \$515 and \$30,000. The loans were forgivable based on the applicants' compliance with the conditions of the agreement.

More recently, as part of planning for the theater project in 2001, the CDC identified a need among small businesses and property owners for financial assistance to help improve their properties and businesses. For some, signage and paint may be all that is needed to give the building a fresh look, while others may benefit from more extensive façade improvements. Since that time, and without a formal notice of the CDC's plans for a façade program, more than 25 inquiries have been made to CDC staff regarding such assistance.

CDC staff formed a Façade Improvement Program Committee (Committee) to develop Program elements for the 2006 Façade and Paint Improvement Program. To assist in its research and discussion, the Committee reviewed and compared façade improvement programs in various cities, including several within Ventura County. Additionally, the Downtown Improvement Task Force (DITF), which began meeting in January 2005 and consists of Mayor Holden and Councilmember Maulhardt, with participation by staff of several City departments and Oxnard Downtown Management District (ODMD) representatives, has been instrumental in refining proposed Program guidelines.

### **Program Elements**

Oxnard's Program will consist of two separate tiers with a maximum combined forgivable loan of \$60,000. Tier No. 1 is a \$10,000 forgivable loan that will require the applicant to pay only the permit fees associated with the planned paint and/or signage improvements. Tier No. 2 is a forgivable loan up to \$50,000, or a portion thereof, and will require a dollar-for-dollar match from the applicant. Similar to the CDC's 1995 Program, the amount of funds awarded will be in the form of a five-year loan, which is forgivable if the applicant fulfills the terms of the CDC agreement.

The Program boundaries will include the majority of the CBD area (Attachment No. 1). The Program is designed to make improvements to commercial properties. Therefore, blocks within the CBD that are devoted entirely to residential or governmental use have been removed from Program boundaries. Additionally, the Meta District, which is under study and in transition, has been excluded except for Oxnard Boulevard, which is highly visible and primarily commercial. Both sides of Fifth Street, east of Oxnard Boulevard are in the Transportation Center District and have been included in the Program boundaries.

Eligible buildings must be located within the area described above, and the façade improvements must be visible from public areas (such as streets, breezeways between buildings, paseos, or public parking lots). Businesses who participated in the 1995 Enhancement and Rehabilitation Program are eligible for the 2006 Program.

Eligible projects include aesthetic, safety, handicap accessibility, and graffiti abatement improvements. Examples include new paint and signage, awnings, lighting, storefront window systems, entryways, landscaping, and window film application to reduce the cost of graffiti abatement on windows. Special

efforts will be made to integrate the recommendations for creating “natural surveillance” opportunities as discussed in the *Crime Prevention Through Environmental Design Review and Vulnerability Assessment for the Oxnard Downtown Core*, recently completed by Gage-Babcock & Associates.

Eligible applicants include property owners or tenants with the approval of the property owner. In addition, applicants must be current on their property tax payments, have a current business license, and be in compliance with CBD zoning requirements. Grantees participating in Tier No. 1 of the Program may also participate in Tier No. 2. Tier No. 2 applicants must provide evidence of matching funds. Grantees may apply for another façade improvement grant five years after the completion of their original project. Such future applications are subject to Program and funding availability.

### **Program Management**

Five areas are critical to successful administration of the Program. They are project application review, contractor bidding, architectural services (Tier No. 2 applicants), labor compliance monitoring, and project management. The specific activities associated with each component are included in the *2006 Façade and Paint Improvement Program Specification* (Attachment No. 2).

### **Outreach and Marketing**

If the Program is implemented, an initial call for projects will be made in April 2006. This call for projects will occur by direct mailer to potentially eligible property owners and tenants within the CBD. Additional outreach methods will include the City’s web page, the CDC’s retail web page “www.oxnardretail.com,” quarterly newsletters for the CDC, the ODMD, and the Downtown Oxnard Merchants Association (DOMA). The Committee will hold training sessions for interested architects, contractors, and installers who, upon completing the training and possessing all required licenses and insurance will be eligible to participate in the Program.

## **FINANCIAL IMPACT**

There are sufficient funds to initiate this Program. Funds in the amount of \$1,141,900 have been appropriated from three separate funds to the Downtown Façade and Paint Improvement Program.

### **Project No. 028301**

Central City Revitalization Project Area Tax Increment funds (Account No. 401-8320)	\$ 491,900
Community Development Block Grant funds (Account No. 285-8320)	\$ 400,000

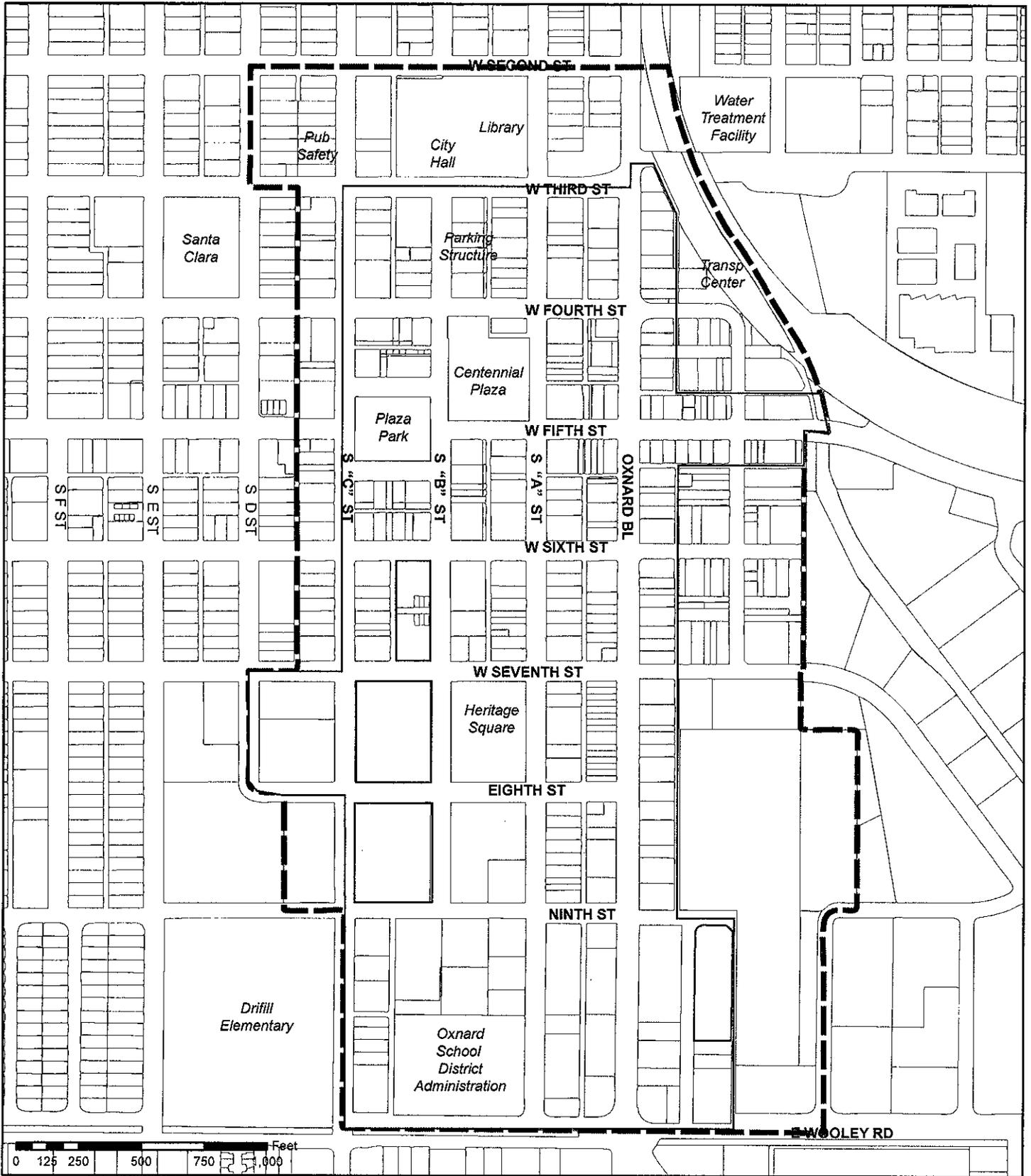
### **Project No. 048206**

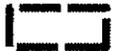
CDC Bond Proceeds (Account No. 431-8235)	<u>\$ 250,000</u>
	\$ 1,141,900

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Attachment 1 – 2006 Downtown Façade and Paint Improvement Program Map  
2 – 2006 Downtown Façade and Paint Improvement Program Specifications

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 Downtown CBD  
 Program Boundary



**2006 Downtown Facade & Paint Improvement Program**

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ATTACHMENT 1 / 1  
 PAGE 1 / 1 OF 1 / 1  
 March 29, 2008





## 2006 Downtown Façade and Paint Improvement Program

# Program Specifications

### I. Program Elements

- A. Two separate forgivable loans up to \$60,000. If the applicant fulfills obligations as detailed in the property maintenance agreement, the loan is forgiven after five years.
- B. Boundaries
  1. Most commercial properties within the Central Business District (CBD)
- C. Visibility: Improvements must be visible from a public area (e.g. facades visible from front, rear, or abutting an open space such as a breezeway or public parking lot)
- D. Tier No.1 Projects:
  1. \$10,000 forgivable loan (Owner contribution: Permit fees)
  2. Eligible projects:
    - a. Exterior painting
    - b. Sign removal, repair, and +6replacement
- E. Tier No. 2 projects:
  1. \$50,000 forgivable loan (Owner contribution: 50/50 match)
  2. Eligible projects:
    - a. Awnings
    - b. Balconies
    - c. Building identification
    - d. Decorative detail
    - e. Decorative treatments
    - f. Door replacement
    - g. Entrances
    - h. Exterior painting
    - i. Exterior building cleaning if necessary as preparation for other improvements
    - j. Handicap accessibility improvements
    - k. Improvements to all building exterior façades (subject to visibility requirements)
    - l. Landscaping
    - m. Lighting
    - n. Masonry repair
    - o. Porches
    - p. Repairing/replacing cornices
    - q. Sign removal, repair, replacement
    - r. Storefront window systems
    - s. Window film (anti-graffiti)
    - t. Window treatments

3. Applicant
  - a. Applicant or property owner must be current on payment of property taxes and City fees, including business licensing, and business must be clear of code violations.
  - b. Tier No. 2 applicants must provide evidence of matching funds (such as copy of Certificate of Deposit, checking or savings account) prior to commencement of construction.
  - c. Applicants participating in Tier No. 1 may also participate in Tier No 2.
  - d. Applicants awarded funding may apply for another façade improvement project five years after the completion of a previous project. (Subject to Program and funding availability.)
  - e. Tenant must have property owner's approval, if tenant is applicant.

## II. Application and Project Process

1. Applicant submits an application to CDC.
2. Applicant meets with CDC/City staff and architect (Tier No. 2) to discuss project goals, design issues, project scope, and budget (may include an on-site meeting).
3. Applicant consults with architect twice to refine project scope and design. Additional meetings with the architect will be at the applicant's expense.
4. With applicant approval, architect prepares and submits scaled drawings (building elevations) of the proposed improvements along with an estimated budget to CDC. Submittal should include one full size drawing and five reduced size (maximum size – 11x17)
5. Committee reviews design and budget estimate and makes recommendation to Community Development Director
6. Project is conditionally approved for Program funding
7. Applicant submits project to Planning Division and Development Services Division
8. Project is approved by Planning Division and Development Services Division
9. Applicant submits contractor bid(s) to CDC
10. Applicant provides evidence of funds to CDC to match Tier No. 2 forgivable loan, if applicable
11. CDC executes Program agreement, which will qualify a project to begin construction
12. Signage for "City of Oxnard Façade and Paint Improvement Program" (with applicable funding sources identified) is to be displayed during construction and for 30 days after project completion.
13. Architect signs-off on construction progress and payments are made to contractor and other vendors
14. Project is completed
15. Notice of completion is filed
16. Final payment and 10 percent retention payment is made

00008

### III. Program Management

#### A. Contractor Bidding

1. Applicants may obtain a contractor list from CDC/City staff to obtain bids. A minimum of two bids must be obtained. Applicant must select a contractor with a reasonable bid consistent with prevailing wage requirements.
  - a. For a contractor to be placed on the CDC contractor's list it must have a valid state contractor's license consistent with the work to be performed, appropriate insurance, a City of Oxnard Business License, and have completed the City training course for the Program
2. Applicants may choose a contractor not on the CDC contractor's list, however, CDC/City staff will have to review the aforementioned requirements and require the contractor to complete the training course for the Program. This may add additional time to the project.

#### B. Architectural Services

1. Tier No. 2 applicants may obtain an architect list from CDC/City staff. A minimum of two proposals must be obtained for design services. Applicant must select an architect whose proposal is consistent with Program guidelines and contains a reasonable cost proposal.
  - a. For an architect to be placed on the CDC architect's list, they must have a valid state architects license, appropriate insurance, a City of Oxnard Business License, and have completed the City training course for the Program.
2. Applicants may choose an architect not on the CDC architect's list, however, CDC/City staff will have to review the aforementioned requirements and require the architect to complete the training course for the Program. This may add additional time to the project.

#### C. Labor Compliance

1. Prevailing wages will apply to the Program.
2. Labor compliance oversight will be provided by a Grants Management Division consultant

#### D. Project Maintenance Agreement

1. The project maintenance agreement will detail the relationship and respective obligations of the CDC and the applicant. The business or property owner is obligated to maintain the property and facade improvements. If the property is properly maintained and is not damaged, sold, or vacated during the five-year life of the agreement, the loan will be forgiven.
  - a. Tier No. 1: A Promissory Note (five-year agreement) will be written. At the end of each of the five years, the loan will be forgiven if the terms of the note are met.
  - b. Tier No. 2: A Deed of Trust (five-year agreement) will be recorded. At the end of each of the five years, the loan will be forgiven if the terms of the agreement are met.

00009

ATTACHMENT 2  
PAGE 3 OF 4

IV. Application Packet

- A. Cover Letter
- B. Application Check-list
- C. Application Form
- D. Evidence of Funds
- E. Sample Project Maintenance Agreement
- F. Central Business District Zoning Ordinance
- G. Central Business District Design Criteria for Over-the-Counter Downtown Design Review Permits
- H. Downtown Design Guidelines

V. Façade Improvement Committee Membership

Department/Organization	Representative
Community Development Department	Brian Pendleton Maureen Hooper
Grants Management Division	Norma Owens
Planning and Environmental Services Division	Ashley Golden
Development Services Division	Jeff Pengilley
Oxnard Downtown Management District	Lorena Pintor

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