

BUSINESS ENHANCEMENT PROGRAM GUIDELINES

Moving. Forward. Together.

The **Pasadena Business Enhancement Program** is a matching grant fund by the Pasadena Economic Development Corporation to qualifying businesses for exterior improvements and enhancements.

Details on eligible improvements can be found in the guidelines. An overview of improvements or renovations eligible to receive support include decorative or functional improvements such as exterior signs, lighting, windows, awnings, storefronts and entrances, doors, brickwork, painting, repair to decorative details, and cornices. Grants can also support renovations to improve compliance with the Americans with Disabilities Act.

Interested business owners are welcome to complete the application and deliver to:

Pasadena Economic Development Corporation

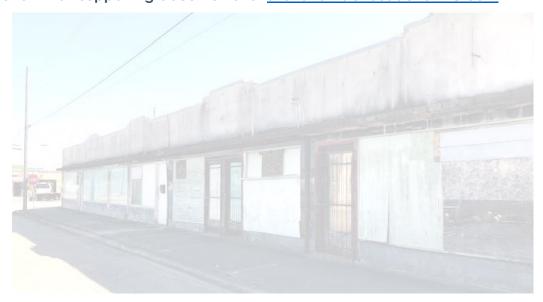
Attn: Julianne Echavarria, Marketing Manger

1149 Ellsworth Dr.

Pasadena, TX 77506

OR

Email application & all supporting documents to: JEchavarria@PasadenaEDC.com





OVERVIEW

In 2018, the City of Pasadena Economic Development Corporation (PEDC) adopted the Pasadena Economic Development Strategic Plan. The Plan is a 10-year roadmap to guide Pasadena's growth which outlines goals for the City. To achieve the economic goals, multiple strategies have been identified, including but not limited to:

- Enhancing the visual appeal of major gateways and thoroughfares,
- Encouraging small business development; and
- Stimulating and leveraging private and public investment along six major commercial corridors in the City.

The PEDC is committed to helping businesses thrive and be successful. A key part of being successful is the first impression: what the customer sees from outside of the building. Many businesses and storefronts require investment to enhance the curb appeal, promote the business, and attract customers.

PROGRAM DESCRIPTION & FUNDING PARAMETERS

The Business Enhancement Program is an initiative available to eligible businesses to apply for funds to complete enhancement and improvement projects that improve the appearance and functionality of their exterior. Matching grant funds may be provided for 50% of the cost of construction and architectural fees, up to \$20,000 per project for construction and architectural fees combined. *Note: Only those architectural services directly related to the approved improvement project will be reimbursed.*

Program funding will be provided in the form of a reimbursable grant upon completion of the project. The applicant must have funding available to cover the total project cost upfront, prior to reimbursement.

Staff is available to assist with identifying finance options though commercial lending institutions. All funding is required to be committed and available prior to application.



ELIGIBILITY

The following criteria will be used to determine whether an applicant is eligible for a grant:

Applicant

An applicant is defined as an owner, tenant or combination thereof, who occupies space in an eligible property. A single owner of multiple properties may apply for grant funds for each property.

To be an eligible applicant for this grant program, the applicant:

- a) Must be currently operating a business within the City of Pasadena with a current Certificate of Occupancy.
- b) Must be a legal entity, which is properly registered and/or licensed to operate in the State of Texas.
- c) Must be current on all federal, state, local, business, property and sales taxes.
- d) Must be the legal owner or tenant that possesses a current lease that will not expire prior to the completion of the improvement project.
- e) If a tenant, must provide written consent of the owner to conduct the improvements.
- f) Must be able to document the availability and commitment of funds necessary for the completion of the project, including matching funds amounting to at least 50% of the total budget.

<u>Building</u>

Buildings used completely or in part for commercial purposes, and classified as such, may be eligible for a grant, if they also meet the following criteria:

- a) The building must be in the City of Pasadena, Texas.
- b) The building must be a current place of business.
- c) The building must be used in whole, or in part, for commercial services.
- d) The façade to be improved must provide public access to a business in the building.

<u>Area</u>

Business Enhancement Projects must be in the City of Pasadena. Projects may be in Historic Pasadena along Pasadena Boulevard, Red Bluff Road, Richey Street, Shaver Street, Main Street and Shaw Avenue. Projects along corridors with significant public or private investment will be given preference and are strongly encouraged. Projects located on other streets will be considered on a case-by-case basis.



ELIGIBLE PROJECTS & EXPENDITURES

- Architecture and engineering fees as part of a comprehensive exterior renovation project
- Exterior demolition or site preparation costs as part of a comprehensive exterior renovation project
- Exterior treatments including painting, murals, siding, and bricking
- Repairs, replacement, and installation of exterior doors, windows, shutters and trim
- Repair, replacement or addition of awnings and exterior signage, including installation costs
- Sidewalk cafes, including balconies, decks, and planters
- Installation, repair/replacement of building mounted lighting that illuminates the façade or signage
- Structural improvements to the façade
- Repair and re-roofing, where the effects of the repair will be visible from a public street or public parking lot. (In general, sloping roofs would qualify, flat roofs would not).
- Repair or replacement of exterior stairs, porches, railings, and exits
- Private walkways sidewalks, pavers, and other permanent improvements designed primarily for pedestrian use, <u>only</u> in conjunction with front entrance improvements

INELIGIBLE PROJECTS & EXPENDITURES

- Building permit fees and related costs
- Acquisition of land or buildings
- Temporary improvements (i.e., plants, sandwich boards)
- Interior building improvements
- Inventory, furniture, equipment, moving expenses, and working capital
- Project costs incurred/improvements made prior to grant approval
- Routine building or site maintenance projects
- Purchase of a business
- Non-permanent signage
- In-kind services or donated services
- Any other maintenance-related expenditure that does not increase the value or useful life of the building.
- Correction of any code violations
- Grant funds will not be allocated to a private or commercial entity whose principal business is adult entertainment, a racetrack or other facility used for gambling, and/or sale of alcohol for off-premise consumption.



APPLICATION PROCESS & REVIEW CRITERIA

Potential applicants are encouraged to contact Pasadena Economic Development Corporation to discuss their project and their potential eligibility for the program as well as to ask any questions about the program, and how to complete the application process.

Applicants are accepted on a rolling basis. must follow the adopted grant application process in order to be considered for a grant award. The full Business Enhancement Program application must be completed in its entirety (including all required supplemental materials and data) and submitted to Pasadena Economic Development Corporation.

Submission Process

All the following are required to be submitted, and determined to be sufficient by PEDC, in order to be deemed complete:

- 1. Completed application.
- 2. Project plan including:
 - Concept for façade, showing the design aesthetic or "feel" (photos/images of similar projects)
 - Detailed scope of work and/or architectural drawings and/or renderings of the improvements, reflecting placement, materials, and colors
- 3. Color photographs of the existing exterior conditions of the building (including photos of the building façade, specific items to be addressed within the scope of work, and of the property's location within the district)
- 4. A copy of the property tax bill or deed to confirm ownership of the property
- 5. Documentation that all taxes are current federal, state, local, business, property, sales, payroll
- 6. For lessees, a legally valid and binding lease for a period that, at a minimum, does not expire prior to anticipated project completion date
- 7. Documentation of commitment of funds for the project (bank statement and/or commitment letter(s) per the discretion of PEDC)
- 8. If the applicant is a lessee, Property Owner Declaration and Consent Form



Review Process

PEDC staff will conduct a completeness and eligibility review on all received applications in order to determine whether each application is complete, and the applicant and the project are eligible under the program guidelines. Applicants will be notified of any missing items in the application and encouraged to submit the remaining documentation as soon as possible. If missing documentation is not received within the Corporation's stated timeframe following notification, the application may be deemed incomplete and not subject to further consideration under this program. All eligible, completed applications will be evaluated on a case-by-case basis by PEDC staff and the Board of Directors. PEDC reserves the right to share the project information with another City of Pasadena Department. PEDC reserves the right to reject any project.

Scoring Criteria

The Business Enhancement Program seeks to provide funding to eligible applicants to support qualifying enhancement and improvement projects that will reinforce and enhance the identity of the commercial districts and the City of Pasadena. PEDC is looking for projects that will have a significant aesthetic impact on the City's commercial districts. Projects are intended to reflect principles of good design and will be evaluated by PEDC on their individual and relative merits.

Generally, project applications will be reviewed based on the following criteria:

- Alignment with the Program's Eligibility Requirements & Overall Goals
 - Is the applicant eligible? Is the building eligible? Is the project located in a priority area? Does the project support the goals of the program to enhance the visual appeal of major gateways and thoroughfares; encourage small business development; and stimulate and leverage private and public investment along the identified corridors? Has the applicant successfully completed an Enhancement Project in the past?
- Quality & Completeness of the Application

Did the applicant complete the application and provide all the required supporting documents? Did the applicant show due diligence in preparing the application?

- Extent & Quality of Project
 - Does the project promote good design and create a clean, safe, accessible environment? Does this project reverse the deterioration of the structure? Will this project stimulate new private investment and economic growth? Has the applicant/building owner made recent/additional improvements, aside from maintenance, in the property or business?



POST-AWARD PROCESS & REQUIREMENTS

Upon award, applicants will be required to execute a grant agreement and other security documents, as determined by Pasadena Economic Development Corporation in its discretion.

Included within the grant agreement/security documents will be commercially reasonable indemnification/insurance obligations on the part of any applicant awarded funds intended to protect the Corporation from any potential liability related in any manner to this grant.

The maximum amount of the reimbursement grant for a specific property will be set forth in the grant agreement between the Corporation and the grantee. If costs exceed the original estimates, the grantee shall be solely responsible for the payment of the full amount of the excess.

All rehabilitation work and design features must comply with all applicable city codes and ordinances, as well as state and federal law. All applicable permits and licenses must be obtained, including all permits and Certificates of Occupancy required by the City of Pasadena and all other state and local permits. In addition, work must follow plans and specifications as approved by PEDC.

After approval, any changes to the project, no matter how minimal, must be approved by PEDC. Grant recipients must work closely with PEDC staff to communicate the project progress and resolve any issues or questions. PEDC reserves the right to conduct site visits and should anything be discovered that is not consistent with the approved application, PEDC has the right to withhold the grant award, recapture all grant funds, or take any other available remedy to maintain compliance with these program guidelines.

Once the grant is approved, the applicant has six (6) months to begin construction. If the work does not begin within the six (6) month period, the applicant will be notified in writing that the grant may lapse, and the agreement may be terminated with no grant funds awarded or available to the applicant. Once construction has started, the applicant has one year to complete the project. If the project has not been completed at the end of the one (1) year period, the applicant will be notified in writing that the grant may lapse, and the agreement may be terminated with no grant funds awarded or available to the applicant. If an approved project is nearing the six (6) month or one (1) year lapse point, an opportunity will be provided for the applicant to request an extension.



Release of Funds

The program will offer grants on a reimbursement basis only. Under no circumstances will grant funds be disbursed as a cash advance prior to project costs being incurred, the applicable scope of the project completed, and the small business identified within the application is fully operational to the satisfaction of Pasadena Economic Development Corporation. Funds are disbursed only after a reimbursement request is submitted with photographs of all completed work and receipts and/or invoices, cancelled checks, and/or certified checks for eligible project costs are submitted and approved by PEDC, and the grantee has received their Certificate of Occupancy from the City of Pasadena and has met all requirements in the contractual agreement. Generally, the full (100%) grant will be provided to the grantee in a single payment.

Eligible receipts and invoices must, at a minimum, include the invoice date, scope of work, contractor name and contact information, cost, and be marked as paid or a zero balance must be indicated. The invoices must clearly indicate the nature of the expense and that such expense is related to the approved project and business. PEDC will only be obligated to reimburse applicants for which eligible, reimbursement requests are received within six (6) months following the receipt of the Certificate of Occupancy/project completion. If eligible project costs are less than the original grant approval, PEDC has the right to reduce grant awards. Awards may be pro-rated down accordingly.

ADDITIONAL PROGRAM REQUIREMENTS

- Any grantee hereby agrees to indemnify, defend and hold PEDC as well as any of their officers, directors, employees, and from any claims, damages, losses and expenses, including but not limited to attorneys' fees, asserted against the Parties related in any way to a project.
- The grantee will be required to give to PEDC, the unrestricted right to use, for any lawful purpose, any photographs or video footage taken of the property at the approved project location, and the grantee owns and/or for which the grantee has the authority to grant such permission, and to use the grantee's name in connection therewith if it so chooses.
- The grantee will further be required to notify PEDC of any public announcements or events to be held at or in relation to the completion of the project, and PEDC will have the right to participate in and/or publicize the event in coordination with the grantee, if PEDC so chooses.
- The grantee will consent to display signage at the project location indicating participation in the Business Enhancement Program prior to project commencement (PEDC to provide sign specifications).



- Only one grant shall be awarded per business for each physical location and/or project. Funding is not transferable.
- Not all properties and/or projects meeting the eligibility requirements of the Business
 Enhancement Program will be able to receive reimbursement grants. Eligibility and awards
 under this program will be determined by Pasadena Economic Development Corporation in its
 sole discretion.

Thank you for your interest in the Business Enhancement Grant Program. For any questions, please contact:

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JEchavarria@PasadenaEDC.com

About the Pasadena Economic Development Corporation (PEDC)

PEDC was created in 1998 as a nonprofit, type B corporation under the Texas Development Corporation Act. It is financed by a half-cent sales tax collected in the City of Pasadena, TX. State law allows the city to collect this sales tax to pursue specifically authorized economic development activities in the city.

The seven members of PEDC's Board of Directors are appointed and serve at the discretion of the City of Pasadena Mayor and City Council. The Corporation's annual budget is also approved by City Council.