



CITY OF EL CENTRO
COMMUNITY SERVICES DEPARTMENT
1249 W. MAIN ST.
EL CENTRO, CALIFORNIA 92243

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

COMMERCIAL FACADE IMPROVEMENT PROGRAM

GUIDELINES AND APPLICATION

SECTION I - OVERVIEW OF PROGRAM

A. Purpose, Goal and Objective of Program

The City of El Centro recognizes the importance of the Downtown Area (as defined in Section III B). The purpose of the Façade Improvement Program is to provide financial assistance in the form of grants to commercial property owners to make façade improvements in the Downtown Area of El Centro (the “Program”).

The goal of the Program is to facilitate commercial revitalization; stimulate private investment; preserve and beautify the commercial corridors; and generate shopping and a pleasant walking environment by improving the visual aesthetics of commercial building façades through the use of the City’s Community Development Block Grant (CDBG) Funds. By stimulating private investment and customer patronage, the Program adds value to the City’s economy and enhances the community experience.

B. Source of Funds

The program is being paid for utilizing the Federal Government’s Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program funds. These funds are designed to meet community development needs and provide aid in the removal of blight, particularly in low and moderate-income areas.

C. Grant Assistance

Funding assistance shall be available to eligible commercial property owners who meet the requirements of Sections II and III. The maximum grant amount that will be awarded per applicant is \$20,000. There is no funding match required for this program.

Grant funds may be used to pay for improvements and permit fees associated with the rehabilitation work proposed under the Program subject to the requirements set out in these Guidelines.

SECTION II - APPLICANT ELIGIBILITY REQUIREMENTS

A. Property Ownership

The applicant must be the current owner(s) of the property to be rehabilitated in order to be eligible for Program assistance. Individuals, partnerships, corporations, and other legal entities may apply for assistance. Property owner(s) means any person(s) or legal entity that holds record title to the subject property. The City will verify property ownership and require all persons currently on title to give written consent to all work proposed to be performed on the property prior to initiating such work.

B. Program Exclusions:

The properties that contain the following businesses are not eligible to receive Program assistance: residential rental buildings (apartments), unless connected

to a mixed use building; home-based businesses; structures not facing the public right-of-way; banks; churches and other religious institutions.

Properties that are fully vacant are not eligible. The subject property must have at least one commercial business tenant facing the street, within the façade of the building.

A property owner may only participate in the program once for each property owned. Any property that participated in the City funded “Downtown El Centro Façade Improvement and Beautification Program” is ineligible. However, those on the waiting listing for that program who did not receive funds are eligible to apply.

SECTION III - PROPERTY ELIGIBILITY REQUIREMENTS

A. Eligible Commercial Properties

To be eligible for the Program assistance, the property to be rehabilitated must meet the following requirements:

- Be located in the eligible Downtown Area of El Centro, which is within a CDBG income-eligible census tract (see below map)
- The commercial building must be dilapidated or blighted
- Qualifying commercial business must be located within the façade of the building
- Storefront must be visible from Main Street
- The qualifying, façade facing, commercial business must provide products and/or services for low to moderate income residents in the surrounding area

B. Program Boundaries

The Downtown Area boundary lies from 4th Street to 8th Street along Main. For this program, eligible locations include commercial structures located within the boundaries of the Downtown Area, as depicted in Figure II-1 with façades facing Main Street.



Figure 1- Downtown Area

C. Minimum Property Rehabilitation Standards

All work performed under the provisions of this Program shall meet all applicable standards contained in the City's adopted zoning ordinance as well as local building and safety codes. The City's Municipal and Zoning Ordinance can be viewed on the City's web site at www.cityofelcentro.org.

D. Eligible Property Improvements

The City has determined that the Program assistance may only be used for exterior painting. Minor stucco repair associated with painting may be included if necessary to allow a proper paint surface.

E. Design Restrictions

Only improvements made to the street-facing portion of the building are eligible. Improvements are not eligible if they are simply maintenance of the current façade.

SECTION IV - PROGRAM PROCEDURES

A. Applicant Intake and Eligibility Determination

1. Application.

Property owners may apply for program assistance by completing application forms available online at www.cityofelcentro.org and submitting such materials to the Community Services Department's Economic Development Division. Complete applications will be reviewed in the order in which they are received. Incomplete applications will not be accepted. The City will maintain a waiting list for all prospective participants.

2. Verification and Eligibility Determination.

The City shall verify all information as necessary. Applicants will be notified in writing regarding eligibility status.

3. Approval and Notifications.

In order to obtain grant funding, applicants must meet all property and eligibility guidelines in effect at the time of funding approval. Applicants will be provided with written notification of approval or denial. Reason(s) for project denial will be provided, to the applicant, in writing.

B. Procurement and Contractor Selection

1. Procurement.

The City of El Centro's Procurement Policy will be followed. The City will prepare bid documents that represent the work to be done for all approved applicants.

2. Labor Compliance - Davis Bacon Requirements

- a. In accordance with CDBG Program Entitlement Grant Regulations, Davis-Bacon requirements apply to the rehabilitation of all commercial buildings and structures. All participating contractors must follow the requirements below:
 - i. The Contractor must comply with the prevailing wage rates as determined by the State of California. Pursuant to the provisions of Section 1–3 of the Labor Code of the State of California, the City has obtained the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in this locality for each craft, classification or type of workmen needed to execute this contract. These rates are on file with the City of El Centro and copies will be made available to any interested party on request. Contractor shall post a copy of such wage rates at the job site, and shall pay the adopted prevailing wage rates. The provisions of Section 1810 to 1815 of the Labor Code will be complied with.
 - ii. All mechanics and laborers employed or working upon the site of the work in the construction or development of the project, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations under Copeland Act 29 CFR Part 3), the full amount due at time of payment computed as wage rates not less than those contained in the above determination, regarding of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. For the purpose of this clause, contributions made or cost reasonably anticipated under section 1 (b) (2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subjected to the provisions of 29 CFR 5.5. (a) (1) (iv). Also for the purpose of this clause, regular contributions made or cost incurred for more than a weekly period under plans, funds, or programs, but covering the particular weekly period, are deemed to be constructively made or incurred during such weekly period.
 - iii. The Contractor shall not require nor permit any laborer or mechanic in any work week in which he is employed on such work to work in excess of eight (8) hours in any calendar day or in excess of forty (40) hours in such work week unless such laborer or mechanic compensation at a rate not less than one and one-half (1 1/2) times basic rate of pay for all hours worked in excess of eight (8) hours in any calendar day or in excess of forty (40) hours in such week, as the case may be.
 - iv. The Contractor shall submit weekly a copy of all certified payroll to the City. The copy shall be accompanied by a statement signed by the employer and his agent indicating that the payroll is correct and completed, that the wage rates contained therein are not less than

those determined by the Director of the Department of Industrial Relationship and that the classification set forth for each laborer or merchant conforms with the work that person performed. The prime contractor shall be responsible for the submission of copies of payroll of all subcontractors. The Contractor will make the records required under labor standards clauses of the Contractor available for inspection by authorized representatives of the City and Department of Labor, and will permit such representative to review employees during working hours on the job. Contractors employing apprentices or trainees under approved programs shall include a notation on the first weekly certificate payroll submitted to the contracting agencies that their employment is pursuant to an approved program and shall identify the program. Payroll and basic records relationship thereto will be maintained by the Contractor during the course of the work and preserved for a period of three (3) years thereafter for all laborers and mechanics working at the site of the work in the construction or development of the project.

- v. The Contractor shall insert in any subcontracts the requirement of this section and also a clause requiring any subcontractor to include these requirements in any lower tier subcontracts into which they may in turn be made.

3. Contractor Insurance/License File.

The City shall maintain a file for the contractor performing work pursuant to the terms and conditions of this program. The file shall include the following information:

- a. Copies of the contractor's current liability and workers compensation insurance policies;
- b. Copies of the contractor's current California Contractor's License;
- c. All required Davis-Bacon information and certifications; and
- d. Copy of contractor's City Business License.

Any contractor with an expired General Liability and/or Workers Compensation insurance or a valid state contractor's license shall be removed from the job until he/she is able to provide proof of current insurance and/or license. All contractors shall be required to obtain a City Business License prior to the issuance of a building permit.

4. Ineligible Contractors.

In accordance with CDBG guidelines, the City shall not award any contract for rehabilitation work, to be paid for in whole or in part with proceeds from the Program to any contractor who does not have a valid state contractor's license, who cannot produce sufficient evidence of current Workers Compensation and Liability Insurance coverage, or who is on the federal Housing and Urban Development's (HUD's) Debarred Contractor list.

C. Award of Contract

1. Notification.

The City shall notify the selected contractor of the award of bid and shall establish a date, time and place for the pre-construction conference. The City shall notify, in writing, the non-selected contractors.

2. Rehabilitation Construction Contract.

The contract for the approved rehabilitation work shall be prepared by the City and shall be entered into between the City and the selected contractor.

3. Private Arrangements.

The City cautions the property/business owner and the contractor not to enter into "side deals" for additional work or deviations from the approved scope of work.

4. Pre-Construction Meeting.

Prior to construction, the City will arrange a pre-construction meeting, which shall be attended by the contractor and representative City staff. The purpose of this meeting is to explain all applicable HUD requirements including Labor Standard Requirements (Davis-Bacon provisions), explain all Program requirements and procedures, coordinate and schedule the work start date, and answer questions related to contract documents.

5. Start of Construction.

No work shall commence until a "Notice to Proceed" has been issued to the contractor. In addition, no work shall commence until all required permits have been issued by the City's Division of Building and Safety.

D. Contractor Payments

1. Inspections.

To ensure the integrity of the authorized work, the Program Inspector shall conduct site inspections prior to the issuance of progress payments and prepare detailed inspection reports, which identify any deficiencies in a contractor's materials or workmanship. Only one (1) progress payment and the final payment will be processed. The Program Inspector shall make regular and/or unannounced inspections of work-in-progress to identify the quality of the work and assess owner satisfaction.

2. Payment Request Packages.

The Contractor shall submit a progress payment request package to the City in the prescribed format. All requests shall be signed by the contractor and the Program Inspector, certifying that the work has been satisfactorily completed. All pertinent invoices, releases, certifications, list of subcontractors and materialmen, and copies of applicable permits shall be attached to the payment request. Only one (1) progress payment request

package shall be submitted to the City for approval. Progress payments will be paid for 95% of the job costs. The final payment for the 5% retention shall be paid 35 calendar days after the Notice of Completion has been recorded.

E. Applicant Complaint Resolution Process

Complaints concerning the Program should first be made to the Program Administrator. If unresolved to the satisfaction of the applicant, an appeal may be made, in writing, to the Director of Community Services, Adriana Nava, 1249 Main Street, El Centro, CA 92243.

The City will contact the property owner and attempt to resolve the problem. A written response will be made within ten (10) working days. The decision of the Director shall be final.

F. Applicant Responsibilities

A. Property Maintenance

The property/business owner(s) is/are responsible for property maintenance during the rehabilitation work; contractor is responsible for keeping the property clean of all construction material. The property/business owner(s) is/are responsible for insuring that the rehabilitation work is not impeded because of their actions or the actions of their tenant(s). The City shall encourage the contractor and its employees to provide adequate pedestrian and property protection at the construction site.

B. Property Tax Bills

Property tax bills for the subject property must be current. The property owner(s) is/are responsible for insuring that the property taxes are current. The City will verify that the property taxes for the property are current. If the property's tax statement indicates a delinquency, at the time of the Program application, the City shall not proceed with grant processing until appropriate documentation of proof of payment is supplied from the Imperial County Tax Assessor's Office.

C. Notice of Completion

The City will prepare a Notice of Completion within 10 days of the completion of the work.

SECTION V - MISCELLANEOUS PROGRAMMATIC REQUIREMENTS

A. City of El Centro Business License

All businesses located within the subject property must have a current City of El Centro Business License for the property to be eligible for funding. To apply for a Business License or obtain more information, you may visit the Finance Department service counter in City Hall located at 1275 Main Street, Monday – Friday from 8am to 5:00 pm, or call (760) 337-4510.

B. Property Insurance Requirements

Applicants are obligated to carry sufficient liability (including but not limited to fire) insurance coverage on the subject property to be rehabilitated under the provisions of this Program. Prior to any grant assistance, minimum fire insurance coverage shall be provided in an amount which is equivalent to the value of the subject building or structure including the proposed rehabilitation improvements. Uninsured applicants must obtain coverage in the required amount prior to receiving grant assistance.

SECTION VI - AMENDMENTS

Amendments to these guidelines may be made from time to time by the City. All amendments shall be in writing. In addition, the City Manager or designee may grant a minor waiver or make minor amendments to these guidelines, with the exception of Federal regulations. All major amendments to these guidelines shall be approved by the City Council.



**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
COMMERCIAL FACADE IMPROVEMENT**

PLEASE READ INSTRUCTIONS CAREFULLY

The following information is necessary for all applications. Failure to provide accurate and complete information will delay review. All information on each proposal will be kept confidential. Please submit one form for each property you wish to rehabilitate.

<p><u>FOR STAFF USE ONLY</u></p> <p>Accepted by: _____ Date: _____</p>

1. Property Description		
Address(es) of Commercial Property to be Rehabilitated:		
The property that I am applying for is:	<input type="checkbox"/> Owner Occupied <input type="checkbox"/> Tenant Occupied	
Does the property have any code violations pending with the City?	<input type="checkbox"/> No <input type="checkbox"/> Yes Please describe: _____	
2. Applicant / Property Owner		
Name:		
Address:		
City:	State:	Zip:
Business Phone Number:	Cell Number:	
E-mail:		
3. Business Information		
Business Name:		
Business License Number of occupying tenant:		
Business Contact Name:		
Business Contact Phone Number:		
Business information:	<p>To participate in the CDBG Façade Improvement Program, businesses must provide products and services that are needed and used by the surrounding low and moderate-income residences. Please provide a description of how the tenant business meets this requirement.</p>	

4. Certification

The applicant certifies that:

- He/she has read the Program Guidelines and fully understands the content.
- The information contained in this application and proposal are true, correct and complete.
- The applicant understands that the applications are being accepted on a first serve basis and that there can be no more than one application accepted per building.

Print Name of Applicant/Property Owner:

Signature of Applicant/Property Owner:

Date:

Attach the following documents to the application.
Incomplete applications will not be accepted.

- Evidence of property ownership (e.g. lease or grant deed).
- Evidence of property and fire insurance.
- Copy of tenant business license.
- Proof of current property taxes
- Color photographs of the storefront - include all sides of the building and property.

Submit your application package to:
City of El Centro
Attention: CDBG Commercial Façade Improvement Program
1249 Main St.
El Centro, CA 92243