

North Gateway Urban Renewal Interior/Exterior Grant Program Policies Recommended Amendments

The Portland Road Corridor Action Plan (Action Plan) recommends changes to the North Gateway Interior/Exterior Grant Program policies to increase funding and expand eligibility. The proposed amendments are shown below in legislative format with new text underlined and omitted text in ~~strikeout~~.

1. **AWARD TERMS**

~~A. \$25,000 interior/\$25,000 exterior grants, with a maximum award of \$50,000.
The maximum grant award is up to \$300,000.~~

~~B. Maximum Grant Small Business: \$10,000 with a 20% match requirement.~~

B. 50% match required by applicant for grants. Each dollar in grant funds must be matched by a dollar in applicant funds. Grant funds and matching dollars must be used for eligible costs. Applicant expenditures for ineligible costs may not be applied as grant match.

~~C. Reimbursements of Hard Costs incurred prior to award are not eligible. Grant funds may not be applied to costs incurred prior to the grant award.~~

~~D. A total number of five awards allowed in five years to one applicant. An applicant is limited to one grant award every three years, per project location. The applicant is eligible for additional grants supporting projects at other locations within the URA. Phased projects may be approved as a single grant. The maximum award for a phased project shall not exceed \$300,000.~~

Example: a company envisions the phased installation of equipment and related upgrades in their electrical systems, totaling \$300,000. If the company describes the overall plan for the improvements with a timeline for completion, that project may be counted as a single grant award, even though the dispersal of funds may occur in phases.

E. Grant awards may be combined with a loan award for a single project, but a loan award may not be used to satisfy the grant match requirement for grant awards.

F. Other terms may be required for award to comply with law, or URA rules and regulations.

2. ELIGIBLE RECIPIENT

~~A. Property ownership (fee title, or executed land sale contract evidencing right to perform improvements) The grant recipient may be the owner of the property (fee title or executed land sale contract evidencing right to perform improvements) or a tenant with an executed lease and written consent from the property owner to make the proposed improvements.~~

~~B. Tenant with executed lease and written consent of property owner. [Combined with 2 A., above]~~

C. A "recipient" includes all legal entities where the recipient has a membership, shareholder, or ownership interest. Non-profit entities are not eligible for grants.

~~D. "Small Business" is a business with less than ten employees.~~

D. Grantees awarded funding prior to July 1, 2014 who apply for funding after June 27, 2016 will be considered a new applicant and if eligible, considered for up to \$300,000. Individuals awarded North Gateway URA funding after July 1, 2014 will be eligible to apply for the balance of their previous award, up to \$300,000. The same eligibility requirements and Program Policies apply to all applicants, regardless of whether they have received previous grants.

3. ELIGIBLE PROPERTY

A. Properties must be located within the North Gateway Urban Renewal Area.

B. Properties must be appropriately zoned for the use of the site. Industrial, commercial, or mixed use.

4. ELIGIBLE GRANT ACTIVITIES

A. Restoration or rehabilitation to the face of a building that is in public view, including installation, repair or replacement of: Awnings, Canopies, Exterior Lighting, Roofing, Gutters, Painting, Signs, Windows, Doors, and other facade improvements.

B. New construction or redevelopment of commercial, industrial, mixed-use, and multi-family housing properties.

C. HVAC, Electrical, Plumbing renovation or replacement.

D. Roof replacement when needed to prevent further deterioration of a commercial or industrial building.

E. ADA Accessibility Improvements.

F. Environmental Remediation.

G. Site Plan Review, Building Permit, and Design Review Fees (not exceeding \$5,000 ~~\$1,500~~ total).

~~G. New Construction.~~ [Now included in Section 4. B. above]

H. Renovation Repair or replacement of items required to address zoning, building, fire code, or seismic deficiencies.

I. Demolition in conjunction with an approved project.

J. Purchase of capital equipment as a business investment or to expand job opportunities. Equipment purchased with URA funds shall remain with the building for a period of 10 years. Should the equipment be moved outside of the North Gateway URA, the grant funds used to purchase the equipment shall be reimbursed to the Urban Renewal Agency on a proportional basis related to the time remaining on the 10-year commitment.

Example: a company that purchases equipment with URA funds, leaves the URA in 8 years (two years short of the 10 year commitment) shall reimburse the City for 20 percent of the original grant award.

5. CONDITIONS

A. Applicant shall maintain the improvements funded by the grant in good order for a period of at least five (5) years and be dutiful about removal of graffiti and repair of vandalism. Manufacturing equipment purchased with grant funds shall be maintained in good working order and must remain in the URA for a period of 10 years per Section 4. J.

B. If required, work shall be done under a building permit issued by the City of Salem.

C. Agency shall not reimburse more than 50 percent of all submitted receipts.

D. Taxes or fees assessed by the City must be current.

E. Evidence of property insurance.

6. ADMINISTRATION

A. The Urban Development Director has the authority to develop procedures and future required administrative changes to implement the program.

B. Comments from the North Gateway Redevelopment Advisory Board will be considered prior to major program policy changes such as maximum grant amounts.