

**URBAN RENEWAL AGENCY OF THE CITY OF SALEM**  
**FAIRVIEW URBAN RENEWAL AREA (URA)**  
**GRANT PROGRAM GUIDELINES**

**I. Fairview URA Grant Program**

The purpose of the Fairview URA Grant Program (“Program”) is to make available grant funding as an incentive to rehabilitate existing buildings and spur new development in the Fairview URA. This Program is authorized by Section I.B.5. and III.D. of the Fairview Urban Renewal Plan.

**II. Definitions**

As used in this Program, the following terms shall have the following meanings:

- (1) "Agency" means the Urban Renewal Agency for the City of Salem, Oregon.
- (2) “Applicant” means a person, partnership, limited liability company, corporation, joint venture, cooperative or other entity in law or fact, applying for a grant from the Program.
- (3) “Capital Improvement” means the addition of a permanent structural improvement or fixture, or the restoration of some aspect of real property or fixtures thereon, that will increase the overall value of the real property and increase useful life of the structure or improvement for a minimum of ten years.
- (4) "Director" means the Executive Director of the Agency, or the Director's designee.
- (5) "Eligible Project" means a Capital Improvement to be constructed in the Fairview URA that is: (a) a new industrial, commercial, or office building or structure; (b) a permanent improvement that increases the useable space and utility of an existing industrial, commercial, or office building or structure, or; (c) a fixture and trade fixture that is permanently affixed to the building, ground, or structure, and associated environmental, planning, architectural, engineering, and construction services.
- (6) “Grant Commitment” means an agreement between the Applicant and the Agency wherein specified grant funds from the Program will be available to the Applicant to complete the Eligible Project within the required timeframe.
- (7) “Grantee” means an Applicant to whom a Grant Commitment is made.

(8) “Investment” means the anticipated amount of private spending, at a minimum rate of five dollars to every one dollar sought from the Program (20 percent matching grant).

(9) “Public Benefit” means the elimination of blight or the increase in property use and value within the Fairview URA, consistent with the Fairview Urban Renewal Plan.

### **III. Program Requirements**

**(1) Submittal Requirements.** To be eligible for a grant under the Program, an Applicant shall submit the following.

- A.** A completed application on the form provided by the Agency; and
- B.** All documents necessary to evaluate the Public Benefit of an Eligible Project. These documents include, but may not be limited to:
  - i. Description of the Eligible Project, its Public Benefit, and details on how it meets or exceeds the minimum investment of five dollars of private investment to every one dollar sought from the Program;
  - ii. Written authorization from the property owner, where applicable, that the Applicant may perform the necessary work to accommodate the Eligible Project;
  - iii. Evidence from the county assessor that the taxes on the subject property are paid and current;
  - iv. Documentation of any applicable permits and compliance with relevant zoning requirements, where necessary;
  - v. Eligible Project cost estimate from a licensed and bonded Oregon-based contractor;
  - vi. Financial documents sufficient to determine the ability of the Applicant to fund the Investment;
  - vii. Eligible Project construction schedule;
  - viii. Employment estimate that identifies the number of jobs anticipated through the construction and occupation of the Eligible Project;
  - ix. Description of how the grant will meet a particular project financing need;
  - x. Any other information deemed necessary by the Director to understand the details of the Eligible Project.
- C.** If the Agency determines an application is incomplete, the Agency shall notify the Applicant in writing that additional information is needed and identify any deficiencies in the application. The Applicant must submit the information necessary for the Agency to determine that the application is complete within thirty days after the date of notification or the application shall be denied.

**(2) Evaluation Approach.** Grants will be processed accordingly:

- A.** Agency staff shall review all complete applications.
- B.** The Director shall issue a decision and cause a Grant Commitment to be sent to all successful Applicants.
- C.** Applicants must execute the Grant Commitment and return it to the Agency within the time stated in the Grant Commitment or the award may be revoked.
- D.** A fully executed Grant Commitment shall bind the Applicant to complete the Eligible Project within the required timeframe or the Grant Commitment will be nullified and the Applicant will be required to completely repay any expended grant funds.

**(3) Grant Conditions.** Each grant shall be subject to the following conditions:

- A.** The Program must have or will have money available to fund the grant on or before the grant award date.
- B.** No grant may exceed \$300,000, without prior approval from the Agency.
- C.** Grant funds may only be applied to costs incurred in the design, construction, and installation of an Eligible Project in the Fairview URA; as detailed in the Grant Commitment. Grant funds may not be used toward a project that was constructed or installed prior to a Grant Commitment.
- D.** Grant funding.
  - i.** Grant funds will be disbursed to the Applicant upon: (1) the submission of a detailed contractor invoice with demonstrated evidence that the Grantee has paid at least eighty percent of the invoice; and (2) the completion of a satisfactory onsite inspection by Agency staff of the construction progress noted in the invoices. Grant funds will be disbursed at a rate of twenty percent of the paid invoice amount, up to ninety percent of the total grant amount. The remaining ten percent of the grant award will be disbursed upon: (1) completion of the Eligible Project; and (2) where applicable, after a certificate of occupancy has been issued by the City of Salem.
- E.** The Eligible Project must be maintained in the Fairview URA for at least ten years or may be replaced with something of equal or greater value, subject to approval of the Director.
- F.** The construction of the Eligible Project must commence within six months of the Grant Commitment and the Eligible Project must be completed within two years of the Grant Commitment date;
- G.** Removal of the Eligible Project, for which grant funds were received, prior to the required ten years without replacement of something of equal or greater value or the

inability to complete the Eligible Project before the required two years will result in the repayment by applicant of any expended grant funds.

- H.** In the event that eligible applications exceed the available funds, the Director may give preference to an Applicant that demonstrates the highest degree of Public Benefit.
- I.** Applicant or Grantee must remain compliant with all Federal, State, and City codes and the Applicant or Grantee must be current on all payments due to the City of Salem and the Agency. Any nonconformance to these codes or outstanding balances owed to the City or Agency may result in the Applicant's ineligibility for a grant from the Program or may result in the delay of grant funds to the Grantee.

#### **IV. General Program Guidelines.**

- (1)** The Director may, pursuant to these guidelines, approve or deny the application without need for further Urban Renewal Agency Board approval.
- (2)** Misrepresentation, falsification of information, or fraud on an application or in the performance of the Grant Commitment shall be deemed a breach of contract and any funds that have been disbursed shall be immediately repaid to the Agency along with a five percent penalty fee.
- (3)** Any breach of contract may result in the legal recourse necessary to satisfy paid grant funds along with associated recovery costs, and may result in the Applicant's disqualification from further eligibility for grants or loans.
- (4)** Compliance with all applicable Federal, State, and City codes and all necessary permits must be obtained prior to the disbursement of any grant funds.
- (5)** Grantee may request one extension to the two-year project completion date. The extension must be requested at least one month in advance of the project completion date and the extension will be for a maximum of six months beyond the project completion date.
- (6)** If construction progress with the Grantee's project does not occur within six months of the Grant Commitment date, the Director may terminate the Grant Commitment.