

Lompoc Redevelopment Agency Commercial Façade Improvement Program Program Guidelines

I. Statement of Purpose

The Commercial Façade Improvement Program is an endeavor of the Lompoc Redevelopment Agency to enhance the physical appearance and economic vitality of businesses in the Redevelopment Area. The program offers low interest façade improvement loans as well as grants to defray cost for permits and architectural design. In return, the Lompoc Redevelopment Agency requires an agreement to maintain Agency sponsored improvements. This program assists in the implementation of the Old Town Lompoc Specific Plan, as well as the Amended and Restated Redevelopment Plan for the Old Town Lompoc Redevelopment Project, and directly serves to remove conditions of blight as documented in those plans.

II. Program Components

A. Permit, Fees and Architectural Design Reimbursement Grants:

A portion of permit fees and architectural design cost for exterior commercial building façade improvements are eligible for reimbursement through grant assistance. The Lompoc Redevelopment Agency will reimburse 50% of City of Lompoc permit fees and 50% of architectural design costs (up to a maximum reimbursement of \$1,000 for each).

All architectural plans shall be submitted to the Lompoc Redevelopment Agency, in addition to the City of Lompoc. Façade treatments for all properties zoned Old Town Commercial shall be consistent with the Old Town Lompoc Specific Plan. The Lompoc Redevelopment Agency and the applicant will enter into a Memorandum of Understanding for reimbursement of grant funds if the project does not proceed within 120 days after issuance of a Notice of to Proceed.

Loan costs charged by the Lompoc Redevelopment Agency associated with the Façade Improvement Program are an allowable charge against the Permit Fee reimbursement. These costs are estimated as: Title Insurance, \$100; Environmental Processing, \$50 (historical building environmental processing fees may be higher due to additional staff time); Processing Fee, \$25; Credit Report, \$25.

B. Façade Improvement Loan Program:

This program provides loans up to \$30,000 for an individual commercial unit; attached commercial units are eligible for loans up to \$15,000 per unit, to a maximum total of \$75,000. Loan proceeds are to be used for labor and materials directly related to the façade construction. Tools may not be purchased with loan funds, but tool rental is allowable. The applicant may elect an amortized interest-free loan with a five-year term or may amortize the loan over 10 years at 5% interest per annum. A promissory note, loan agreement, and all other required loan documents will be executed between the Lompoc Redevelopment Agency and the applicant

property owner or tenant and property owner. When security is required to secure the façade loan proceeds, a Deed of Trust will be recorded against the property.

Loan proceeds will be disbursed as invoices are submitted and approved by Agency staff. All payment requests will be paid directly to the contractor within 10 working days after submittal. Direct reimbursement to the applicant is available *only* with the submittal of a paid receipt. Construction shall be completed within 120 days after the Notice to Proceed. If the project extends beyond the scheduled completion date, prior staff approval is required.

A Covenant will be recorded on the property receiving façade improvement requiring the property owner to maintain the project property in a manner satisfactory to the Agency. If the property owner fails to maintain the project property, the Agency shall give the owner written notice of default and may take appropriate legal steps to gain compliance with the covenant. Project properties will be subject to the covenant for ten years (for loans with five-year terms) or for twenty years (for loans with ten-year terms).

This program is primarily geared toward commercial property owners. However; business owners who have long-term leases (five or more years) wishing to participate in the Façade Improvement Program may also apply. Applications for these tenants will be reviewed on a case-by-case basis.

III. Eligibility

A. Eligible Applicants/Areas

Owners/tenants of commercially zoned or legal nonconforming commercial property located within the Lompoc Redevelopment Area are eligible to apply for assistance under the following circumstances:

- 1) Priority consideration will be given to business and property owners located in the 100 blocks of north and south “H” Street and the 100 blocks of east and west Ocean Avenue.
- 2) If the project consists of attached commercial units in a shopping center, the façade must include all units in the attached building.
- 3) Funds for the Façade Improvement Loan Program are available on a first come, first serve basis. If funds are exhausted at the time of application submittal, Agency staff will retain the application for the next funding cycle. When loan funds become available, Agency staff will contact applicants, in the order applications were received with priority consideration continuing for properties in the 100 blocks of H Street & Ocean Avenue.
- 4) Property Owners of the façade property will be required to provide verification of mortgage to ensure that the loan to value of the property does not exceed 85%. Agency may record a deed of trust on the project property, not to exceed third position. The fair market value of the property will be determined either from an appraisal (performed within one year of application date) or from comparisons to similar property.

B. Eligible Types of Improvements

Eligible Improvements include but are not limited to:

- Removal of old signs, awnings, and other exterior clutter
- Exterior cleaning and painting (including the use of graphics to create the illusion of façade forms)
- Application of new exterior plaster (including the use of plaster to create new façade forms)
- Installation of new entry doors with handicapped access
- Installation of display windows and window treatments
- Installation of new canvas awnings over windows and entries
- Installation of new signage
- Installation of new exterior lighting
- Application of ceramic tile on exterior walls and entries
- Installation of permanent landscaping
- Installation of pavers in doorways
- Resurfacing/restriping of existing parking lots

Additional improvements will be reviewed and approved/disapproved on a case-by-case basis.

IV. Implementation of Work

Labor costs are subject to review and approval by staff. Projects in excess of \$1,000.00 will impose prevailing wage requirements found in the California Labor Code (see attached Prevailing Wage Disclosure).

Improvements requiring the disturbance of painted surfaces may require lead-based paint testing.

All improvements shall conform to the City of Lompoc Building Codes, Zoning Ordinance, Architectural Review Guidelines, and the Old Town Lompoc Specific Plan. Applicants’ proposals are subject to design review by the Redevelopment Agency and the City of Lompoc Planning Division. Extensive façade remodels may require Planning Commission review, at the discretion of the City Planner. Project improvements commenced prior to Agency approval are not eligible for this Program.

Agency staff will be available to work with applicants to assist in the coordination of the project. Agency staff will carry out periodic inspections.

I, _____ have read and received a copy of these guidelines on
_____.

Signature

Lompoc Redevelopment Agency
Commercial Façade Improvement Program

Application

Please fill out this application completely and submit or send to: Lompoc Redevelopment Agency, Attention: Program Coordinator, 100 Civic Center Plaza, Lompoc, CA 93436.

APPLICANT INFORMATION

Name: _____

Circle All That Apply: Property Owner Business Owner/Tenant

Business Name: _____

Property Address: _____

Mailing Address: _____

Daytime Phone Number: _____

Total Number of Businesses in Building: _____

Name(s) of Other Businesses: _____

PROPERTY OWNER INFORMATION *(complete if tenant is applicant)*

Property Owner Name: _____

Property Owner Mailing Address: _____

Property Owner Daytime Phone Number: _____

As the legal owner of the above property, I hereby grant authorization to complete the façade improvements indicated on this application.

Signature: _____ Date: _____

The above signatures must be notarized. A notary is available at Lompoc City Hall. Please contact Natalie Skarda at 875-8226 to make an appointment.

**Lompoc Redevelopment Agency
Commercial Loan Program**

ADDITIONAL INFORMATION REQUIRED

The following information is required for Agency Loan applications. By supplying all the necessary data, your application can be processed without delay.

- Business Plan which describes your business' current operations and demonstrates how the loan will further your company's coals. Owner/Principal Management Resume of Experience. Include Market Study, if available.
- Equal Credit Opportunity Act – Fair Lending Notice (attached)
- Credit Check Authorization (attached)
- Fee Disclosure (attached)
- Copies of Articles of Incorporation and Bylaws, Partnership Agreements, Business Licenses or Fictitious Business Name Statement, as applicable
- Current interim Business Financial Statements and comparable period for prior year. Signed Personal Financial Statement for each principal (owner, partner, primary stockholder) of the business.
- Signed Business Tax Return for previous two years. Signed Personal Tax Return for previous two years.
- Copy of current City of Lompoc Business License
- Copy of current lease/rental agreement (if applicable) or Deed of Trust
- Prevailing Wage Disclosure (attached)
- Corporate Resolution to borrow for this project

Depending on your situation, we may also ask you to provide any or all of the following information after review of your pre-application:

- | | |
|--|--|
| <input type="checkbox"/> Copy of Accounts Payable aging, Accounts Receivable aging | <input type="checkbox"/> Current Income and Expenditure Statement for property |
| <input type="checkbox"/> Projected Income Statement, which forecasts business expenses and revenue | <input type="checkbox"/> Sources and Uses Statement |
| <input type="checkbox"/> Projected Balance Sheet | <input type="checkbox"/> Property Management Plan |
| <input type="checkbox"/> Projected 15 year Cash Flow of property (proforma) or business | <input type="checkbox"/> Property Maintenance Plan |
| <input type="checkbox"/> Resume for each business associate (owner, partner, primary stockholder) | <input type="checkbox"/> Updated Appraisal (within 2 years) |



Fair Credit Reporting Act

As part of processing your application for a Redevelopment Agency Façade Program loan, we may request a consumer report bearing on your creditworthiness, credit standing, and credit capacity.

This notice is given pursuant to the Fair Credit Reporting Act of 1970, Section 601 to Section 622, inclusive. You are entitled to such information within 60 days of written demand therefore made to the Credit Reporting Agency pursuant to Section 607(b) of the Fair Credit Reporting Act.

Applicant

Date

Applicant

Date



Equal Credit Opportunity Act

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on a basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Protection Act. The Federal Agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

Fair Lending Notice - State of California

Under the Housing Financial Discrimination Act of 1977, it is unlawful for financial institutions to refuse to make a loan or to offer less favorable terms than normal (such as higher interest rates, larger down payment or shorter maturities) based on any of the following considerations:

1. Neighborhood characteristics (such as the average age of the homes or the income level in the neighborhood) except to a limited extent necessary to avoid an unsafe and unsound business practice.
2. Race, sex, color, religion, marital status, national origin or ancestry.

In appraising a residence, it is also unlawful to consider the racial, ethnic, or religious composition of a particular neighborhood, whether or not such a composition is undergoing change or is expected to undergo change.

If you wish to file a complaint or if you have questions concerning your rights, contact:

If you file a complaint, the law requires that you receive a decision within thirty (30) days.

I (We) received a copy of this notice.

U.S. Dept of Housing and Urban Development
Attn: Office of Fair Housing and Equal Opportunity
600 Harrison Street, Third Floor
San Francisco, CA 94107-1300
Telephone (415) 489-6524 or (800) 347-3739
Fax (415) 489-6558 – TTY (415) 436-6594
E-Mail:CA_Webmanager@hud.gov

If you file a complaint, the law requires that you receive a decision within thirty (30) days.

I (we) received a copy of this notice.

Signature of Applicant

Date

Signature of Applicant

Date

PREVAILING WAGE DISCLOSURE

The California Labor Code imposes prevailing wage requirements upon projects (in excess of \$1,000.00) “paid for in whole or in part out of public funds”. Laws and Regulations pertaining to the payment of prevailing wages can be found in the California Labor Code Sections 1720-1815.

If you receive a loan from the Lompoc Redevelopment Agency for construction, alteration, demolition, installation, or repair work done under contract, the prevailing wage requirements will apply to the entire project. This means that any contractor or subcontractor who performs work on the project must pay workers the prevailing wage for the appropriate trade, classification or type of work. The current prevailing wage rates are determined by the California Director of Industrial Relations and available from the Department of Industrial Relations website at:

http://www.dir.ca.gov/DLSR/statistics_research.html

Each contractor and subcontractor must keep accurate payroll records and prevailing wage rates must be posted at the job site.

Non-compliance with prevailing wage requirements may subject a contractor and/or subcontractor to penalties.

Borrower undertakes and agrees to defend, indemnify, and hold harmless the Lompoc Redevelopment Agency, the City of Lompoc and their staff, officers and employees from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, reasonable attorney’s fees, City Attorney fees, and costs of litigation, damage or liability of any nature whatsoever, arising in any manner by reason of or incident to the performance on the part of the Borrower or any contractor or subcontractor of Borrower in regards to prevailing wage requirements.

Each contractor and subcontractor on the project must sign this disclosure.

I certify that I have read the above and will comply with the prevailing wage requirements applicable to this project:

Signature on file

_____ **Owner/Borrower**

_____ **Date**

_____ **Contractor**

_____ **Date**



COMMERCIAL FACADE LOAN APPLICATION FEE DISCLOSURE

The following fees are estimates for your Redevelopment Agency loan application, and may differ depending on your specific application's needs:

Credit Report:	\$ 25.00
Environmental:	\$ 50.00
Processing:	\$ 25.00
Title/Escrow:	+ \$100.00
Total:	\$200.00

There may be an additional charge for an appraisal, if required by the Agency.

I/We understand that the above-mentioned fees are associated with my/our loan application, and are due and payable at the time of application submittal. I/We understand that these fees are nonrefundable and are necessary to process my/our application, regardless of whether or not my/our loan is approved. I/We understand that the fees listed above are estimates and that our specific fees may differ.

Signature of Applicant

Date

Signature of Applicant

Date