



# **Lompoc Redevelopment Agency Seismic Retrofit Loan Program Description**

## **I. Statement of Purpose**

The Seismic Retrofit Program is an endeavor of the Lompoc Redevelopment Agency to assist owners of unreinforced masonry buildings within the Redevelopment Area with the cost associated with the seismic retrofitting. The retrofitting of these buildings will not only enhance the safety of the buildings, but also the physical appearance and economic vitality of businesses in the Redevelopment Area. The program offers low interest seismic retrofit loans to defray cost for engineering, architectural design, City fees and retrofit work. In return, the Lompoc Redevelopment Agency requires an agreement to maintain Agency sponsored buildings. 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 portion of permit fees (50%), architectural design, engineering cost as well as the actual retrofitting cost for buildings are eligible for loan proceeds through the seismic retrofit program. The amount that the Lompoc Redevelopment Agency will loan is subject to case-by-case evaluation, risk level and fund availability.

The loan will carry an interest rate of 3.0%, with interest only payments for the first five years and fully amortized thereafter, based on the project evaluation and available cash flow.

The Redevelopment Agency will require an architectural site plan and elevation for the project. However, all architectural plans should be submitted to the appropriate City of Lompoc Departments as required. Design for all properties zoned Old Town Commercial shall be consistent with the Old Town Lompoc Specific Plan. This plan is available for purchase at the Community Development Department at 100 Civic Center Plaza, Lompoc, CA 93436.

Loan costs charged by the Lompoc Redevelopment Agency associated with the Seismic Retrofit Loan Program are an allowable charge against the Permit Fee draw portion of the loan. 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.

Loan proceeds will be disbursed as draw forms accompanied by 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. Proposed work 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 seismic retrofit loan proceeds, requiring the property owner to maintain the subject 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 a period of fifteen years.

### **III. Eligibility**

#### **A. Eligible Applicants/Areas**

Owners of “High Risk” unreinforced masonry buildings 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) Funds for the Seismic Retrofit 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.

#### **B. Retrofit Requirements**

The requirements of Seismic Retrofit to unreinforced masonry buildings are detailed in the attached City of Lompoc ordinance number 1459(01) (attached).

### **IV. Implementation of Work**

Labor costs are subject to review by Redevelopment staff. Projects in excess of \$1,000.00 will impose prevailing wage requirements found in the California Labor

Code (see attached Prevailing Wage Disclosure). Union wage trades perform much of this type of work, so this requirement should not significantly increase your project cost.

Improvements requiring the disturbance of painted surfaces may require lead-based paint testing. All cost associated with this testing will be paid through loan proceeds. Improvements causing *permanent* displacement of commercial tenants may require relocation assistance as well as displacement of residential tenants.

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 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 carry out periodic site inspections.

**For questions or comments please contact:**

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