

PROGRAM GUIDELINES

SECTION I- OVERVIEW OF PROGRAM

A. Purpose, Goal and Objective of Program-

The City of Ontario, in its continuing effort to support the revitalization of the Historic Downtown Area, has created a Downtown Storefront Façade Improvement Program (Program) for all property owners within the designated program area. The purpose of the program is to provide financial assistance to commercial property and/or business owners to make qualifying façade improvements on Euclid-facing buildings.

The goals of the Program are to facilitate commercial revitalization; stimulate private investment and customer patronage; preserve and beautify the Historic Downtown Area; and generate shopping opportunities by creating a pleasant walking environment resulting from the improved visual aesthetics of commercial building façades.

B. Source of Funds-

The Program is being funded by the Federal Government's Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) for Fiscal Year 2021-2022.

C. Financial Assistance-

Grant funds shall be available to eligible commercial property and/or business owners who meet the requirements of the Program. The maximum program grant amount per applicant is \$25,000. The applicant will be required to contribute a 1:1 leverage of personal funds towards the approved improvements of the building. For example, if the grant amount requested is \$10,000, the applicant will need to provide an additional \$10,000 worth of improvements within the approved scope of work.

SECTION II- PROGRAM REQUIREMENTS

- A. Location-** Only commercial properties located within the Historic Downtown Area that have Euclid Avenue-facing buildings between Emporia Street to G Street (100-200 blocks of South Euclid and 100-600 blocks of North Euclid) are eligible to apply.
- B. Permits-** Property owner must obtain plan approval and any applicable Planning and Building permits from the City. All work performed under the provisions of this Program shall meet all applicable standards contained in the City's adopted zoning ordinance, and local building and safety codes. The City's General Requirements can be viewed on the City's website at: <https://www.ontarioca.gov/government-departments-development-building/general-requirements>
- C. Improvements-** All building improvements supported by program funds must be to the exterior of the building. The scope of work must be approved by City of Ontario's Economic Development Agency and Community Improvement Department. Proposed work should be consistent with the historic design and architectural features of the building. No work, whether it is program funded or leverage funded shall be conducted prior to the written approval of the scope of work by the City. Program-funded improvements are not eligible if they are simply maintenance of the current façade.
- D. Ownership-** The applicant(s) must be either the current property owner(s) or business owner(s) (tenant) of the property to be rehabilitated in order to be eligible for the Program. Business owners must obtain consent from current property owner in order to apply for the program. In case of multiple ownership, the signature of each titleholder is required on all appropriate documents. 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.
- E. Program Limitations-** If a building or qualified unit is occupied by one tenant occupant, the maximum number of applications is one per façade. If a building has multiple independent units, each unit with a separate entrance, which has a wall that qualifies as an exterior facade may make a separate application on the basis of one application per façade. If a portion of a building has been improved with Program funds, subsequent applications for the remaining portions of the building should be consistent with the prior grant work.
- F. Program Eligible Property Improvements-** The Program assistance is limited to supply and installation contracts. Supply and installation contracts are defined as those where the material supplier will provide installation of the material with an incidental amount of construction activity that does not require a separate construction contract. No extensive structural modifications should be required to install the materials (i.e., widening entrances or installing wiring). Such improvements may include, but are not limited to:

- New signage;
- New awnings;
- Exterior lighting; and
- Anti-graffiti treatment to existing windows.

G. Owner Leverage Eligible Property Improvements- The program requirements require a 1:1 leverage of grant funds with personal funds from the applicant. Eligible leverage-funded improvements are limited to exterior improvements. Such improvements may include, but are not limited to:

- Exterior refinishing;
- New exterior doors;
- Exterior lighting;
- Painting;
- Decorative improvements;
- New windows.
- Refinishing and Painting

SECTION III- PROGRAM PROCEDURES

A. Applicant Intake and Eligibility Determination-

- a. Application-** Applications are available at City Hall or online at www.ontariothinksbusiness.com/facadeprogram. Each application must be completed in its entirety, signed and submitted with all required documents as listed on the application, and signed proof of ownership of the building or unit whose façade will be improved or proof of consent of owner if the applicant is renting the building or unit. Applications will be reviewed in the order in which they are received. The City will maintain a waiting list for all prospective participants.
- b. Verification and Eligibility Determination-** The City shall verify all information as necessary. Applicants will be notified in writing regarding eligibility status.
- c. Rehabilitation Feasibility Determination-** Once an applicant has been determined to meet eligibility requirements, an initial inspection of the property will be made by the Economic Development Agency and Community Improvement Department to determine the extent of any code violations, as well as any health and safety issues, that need to be corrected as part of the program or leverage scopes of work. A proposed scope of work will be developed illustrating the items to be included as part of the program scope of work and items to be included as the leverage scope of work.
- d. Approval and Notifications-** Once the application and scope of work have been verified as eligible, the City and the applicant will enter into a Program Agreement that contains the terms and conditions required by the program. After execution of the Program Agreement, the City will issue a Notice to Proceed with work. **No work should be initiated, contracted for, or performed until after the Notice to Proceed has been issued.** The City may not approve reimbursement for work completed prior to the issuance of the Notice to Proceed.
- e. Reservation of Funds-** After the applicant has been approved for the program, a reservation of funds letter will be issued for the grant amount approved. This letter will reserve the approved grant amount for 90 days. If the applicant has not submitted all required items for reimbursement within the 90 days, the reservation of funds may be cancelled. If unforeseen conditions are delaying the project, the applicant should contact the City immediately to discuss options to preserve the reservation of program funds. One additional extension of time up to 90 days may be granted based upon a demonstrated hardship.

B. Procurement and Contractor Selection

- a. Program-Funded Improvements Procurement-** The applicant is required to obtain multiple proposals for the program-funded improvements. A minimum

of three proposals for each item approved within the program scope of work shall be submitted. If the applicant is unable to obtain three proposals, the applicant shall provide a summary of the efforts made to obtain the minimum number of required proposals. Supply and installation proposals from vendors qualified to perform the improvements approved within the program scope of work shall be submitted for approval prior to execution of contracts with material suppliers. Proposals shall clearly state a cost for materials and a cost for installation.

- b. Program-Funded Improvements Selection-** The City will review the proposals submitted by the applicant and verify the lowest-qualified proposal. Approval will be given for the amount specified in the lowest-qualified proposal within the grant limits of the program. Should the applicant wish to enter into an agreement with a vendor other than the approved lowest-qualified proposal, the applicant will be responsible for the cost difference between the lowest-qualified proposal and the selected proposal. The material supplier and/or the applicant will be responsible to obtain all necessary permits for the program-funded improvements. The amount of reimbursement approved is limited to the approved lowest-qualified proposal.
- c. Leverage-Funded Improvements Selection-** The City will review the scope of work and contract proposal for the leverage-funded improvements pursuant to the scope of work approved during the feasibility determination. All leverage-funded improvements will be contracted for privately by the applicant and paid for from private funds. No CDBG funds will be used for any portion of the leverage-funded improvements. While the City is not involved with the contracting for the leverage-funded improvements, a best practice suggestion is that the applicant obtain a minimum of three bids for the leverage-funded improvements. The final amount of program funds reimbursed will be based on the final amount of the leverage-funded improvements.
- d. Insurance and Licenses-** The applicant is solely responsible for ensuring that the contractor has all necessary insurance and required licenses. In addition, the applicant shall insure that the contractor obtains all necessary permits for both the program-funded and leverage-funded improvements.

C. Award and Reimbursement

- a. Notification-** Once the applicant has submitted all required procurement documents for both the program-funded and leverage-funded improvements, the City will issue a final Notice to Proceed. No reimbursement shall be issued for work completed or contracted for prior to the issuance of the Notice to Proceed.
- b. Inspection of Completed Work-** After the applicant notifies the City that all work has been completed, including all program-funded and leverage-fund improvements, an inspection of the work will be conducted. This inspection shall include a review of the permits issued and inspections of permitted work.

- c. Reimbursement-** Based upon the results of the inspection, the City will issue reimbursement from program funds to the applicant for the completion of the improvements. In order for reimbursement to be processed, receipts evidencing payment in full on all vendor contracts for the program-funded work and construction contracts for all leverage-funded improvements shall be provided. In addition, the applicant shall file a Notice of Completion within 10 days of the completion of the work and provide a copy as part of the reimbursement request.

D. Applicant Responsibilities

- a. Property Maintenance-** The applicant is responsible for property maintenance and safety during the construction and material installation. The property owner/business owner is responsible for ongoing maintenance of the improvements for five (5) years following the completion of both the program-funded and leverage-funded improvements.

Section IV- AMENDMENTS

Amendments to these guidelines may be made from time to time by the City. Authority shall be granted to the City Manager or his/her designee to grant a minor waiver or make minor amendments to these guidelines, with the exception of Federal guidelines and regulations.

APPENDIX A

DOWNTOWN FAÇADE IMPROVEMENT PROGRAM APPLICATION

Applicant name: _____

Applicant is the: Business Owner Property Owner

Property address: _____

City, state, zip code: _____

Applicant’s address: _____

City, state, zip code: _____

Phone number: _____

Email address: _____

PROPOSED PROGRAM-FUNDED SCOPE OF WORK

Briefly describe the proposed Program-Funded Scope of Work. Eligible program-funded improvements include only supply and installation contracts, such as new signage, new awnings, exterior lighting, and anti-graffiti treatment to existing windows.

Estimated Proposed Program-Funded Scope of Work Cost: _____

PROPOSED LEVERAGE-FUNDED SCOPE OF WORK

Briefly describe the proposed Leverage-Funded Scope of Work. Eligible leverage-funded improvements include exterior improvements only, such as exterior refinishing, new exterior doors, exterior lighting, painting, decorative improvements, and new windows

Estimated Proposed Leverage-Funded Scope of Work Cost: _____

I/We understand that the program requires owner leverage funds in a 1:1 ratio with the requested grant amount.

APPLICATION CERTIFICATION: I/we understand that the above information is being collected to determine if I/we are eligible to receive financial assistance through the Downtown Façade Improvement Program. I/we authorize the City of Ontario to verify all information provided on this application.

_____ APPLICANT SIGNATURE	_____ DATE
_____ PROPERTY OWNER SIGNATURE (IF APPLICABLE)	_____ DATE

APPENDIX B

PROGRAM AGREEMENT

CITY OF ONTARIO

Downtown Storefront Façade Improvement Grant Agreement

THIS AGREEMENT, entered into this _____ day of _____, _____, between the City of Ontario, CA (hereinafter referred to as “City”) and the following designated OWNER/LESSEE:

Owner Name: _____

Lessee’s Name: _____

Name of Business: _____

Business Tax ID #: _____

Address of Property to be improved: _____

WITNESSETH:

WHEREAS, the City of Ontario has established the Downtown Storefront Façade Improvement Program for application within the Historic Downtown Area for Euclid facing buildings between Emporia Street to G Street (100-200 blocks of South Euclid and 100-600 blocks of North Euclid) (hereinafter referred to as “Program Area”); and

WHEREAS, said Downtown Storefront Façade Improvement Program is administered by the City with the advice of the City Council and is funded by Community Development Block Grant Funds (CDBG) under the U.S. Department of Housing and Urban Development for the purpose of commercial revitalization, stimulation of private investment and customer patronage, preservation and beautification of the Historic Downtown Area, and to generate shopping opportunities by creating a pleasant walking environment resulting from the improved visual aesthetics of the commercial building façades.

WHEREAS, pursuant to the Downtown Storefront Façade Improvement Program, the City has agreed to participate, subject to its sole discretion in reimbursing owners/lessees for the cost of eligible exterior improvements to commercial establishments within the Project Area up to

a maximum of \$25,000 with an applicant contribution of 1:1 leverage of personal funds towards the improvements of the building in the scope of work; and

WHEREAS, the Owner/Lessee's property is located within the Program Area, and the Owner/Lessee desires to participate in the Downtown Storefront Façade Improvement Program pursuant to the terms and provisions of this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements obtained herein, the City and the Owner/Lessee do hereby agree as follows:

SECTION 1

With respect to the façade improvements to the exterior of the property, the City shall reimburse the Owner/Lessee for the cost of supply and installation contracts up to a maximum amount of \$25,000 provided that Owner/Lessee has contributed said amount of personal funds towards the exterior improvements.

The actual total reimbursement amount per this Agreement shall not exceed \$_____ for façade improvements.

The improvement costs, which are eligible for City reimbursement is limited to supply and installation contracts which are defined as those where the material supplier will provide installation of the material with an incidental amount of construction activity that does not require a separate construction contract. No extensive structural modifications should be required to install the materials (i.e., widening entrances or installing wiring). Such improvements may include but are not limited to: new signage; new awnings; exterior lighting; and anti-graffiti treatment to existing windows.

The improvement costs, which are eligible for City reimbursement, shall be shown on the plans, design drawings, specifications, and estimates approved by the City. Such plans, design drawings, specifications, and estimates are attached hereto as Exhibit "A."

SECTION 2

No improvement work shall be undertaken until the design has been submitted to and approved by the City. Following approval, the OWNER/LESSEE shall contract for the work and shall commence and complete all such work within ninety (90) days from the date of such approval. The OWNER/LESSEE may request a ninety (90) day extension provided there is a demonstrated hardship.

SECTION 3

The City shall periodically review the progress of the contractor's work on the façade improvements pursuant to this Agreement. Such inspections shall not replace any required permit inspection by Building Inspectors. All work which is not in conformance with the approved plans, design drawings, and specifications shall be immediately remedied by the OWNER/LESSEE and deficient or improper work shall be replaced and made to comply with the approved plans, design drawings, and specifications and the terms of this Agreement.

SECTION 4

Upon completion of the improvements and upon their final inspection and approval by the City, the OWNER/LESSEE shall submit to the City a properly executed and notarized contractor statement showing the full cost of the work to complete the façade improvement related work, as well as a statement for façade improvement work done to achieve the 1:1 match required by this Agreement. In addition, the OWNER/LESSEE shall submit to the City proof of payment of the contract cost pursuant to the contractor's statement and final lien waivers from all contractors and subcontractors as well as proof of 1:1 match. The City shall, within forty-five (45) days of receipt of contractor's statement, proof of payment, conformed copy of the Notice of Completion, and lien waivers, issue a check to the OWNER/LESSEE as reimbursement in the total grant amount stated in SECTION 1 of this Agreement.

SECTION 5

If the OWNER/LESSEE fails to complete the improvement work provided for herein in conformity with the approved plans, design drawings, and specifications and the terms of this Agreement, then upon written notice being given by the City to the OWNER/LESSEE, by certified mail to the address listed above, this Agreement shall terminate and the financial obligation on the part of the City shall cease and become null and void.

SECTION 6

This Agreement shall be binding upon the City and upon the OWNER/LESSEE and its successors, to said property for a period of five (5) years from and after the date of completion and approval of the façade improvements provided herein unless otherwise agreed upon by the parties in writing. It shall be the responsibility of the OWNER/LESSEE to inform subsequent OWNER(S)/LESSEE(S) of the provisions of this Agreement.

SECTION 7

The OWNER/LESSEE agrees to maintain the improvements at his/her sole expense for a period of five (5) years unless otherwise agreed upon by the parties in writing. In the event that the OWNER/LESSEE fails to maintain the improvements, the City may issue a thirty (30) day written notice to the OWNER/LESSEE to correct any maintenance deficiencies. If the OWNER/LESSEE fails to correct the stated deficiencies within thirty (30) days of the notice, City may cause any maintenance or repair work to be performed at OWNER's expense.

SECTION 9

The OWNER/LESSEE agrees to comply with all the requirements now in force, or which may hereafter be in force, of all municipal, county, state and federal laws, pertaining to the development and use of the Property and construction of the façade improvements, as well as operations conducted on the Property. The OWNER/LESSEE agrees that the City shall not be liable for, and covenants and agrees to indemnify and hold harmless the City and its officials, officers, employees, and agents from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting

from noncompliance with all municipal, county, state and federal laws. The OWNER/LESSEE will require any contractor to comply with the above cited Local, State and Federal laws, and will incorporate these laws in any written agreement between the OWNER/LESSEE and a contractor.

SECTION 10

No member, official, agent, legal counsel or employee of the City shall be personally liable to the Participant, or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the OWNER/LESSEE or successor or on any obligation under the terms of this Agreement.

SECTION 11

The OWNER/LESSEE releases the City from, and covenants and agrees that the City shall not be liable for, and covenants and agrees to indemnify and hold harmless the City and its officials, officers, employees, and agents from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character and nature whatsoever arising out of or, resulting from or in any way connected with directly or indirectly with the façade improvements. The OWNER/LESSEE further covenants and agrees to pay for or reimburse the City and its officials, officers, employees, and agents for any and all costs, reasonable attorney's fees, liabilities, or expenses incurred in connection with investigating, defending against or otherwise in connection with any such losses, claims, damages, liabilities, or cause of action. The city shall have the right to select legal counsel and to approve any settlement in connection with such losses, claims, damages, liabilities, or causes of action. The provisions of this section shall survive the completion of said façade improvements.

SECTION 12

Nothing herein is intended to limit, restrict, or prohibit the OWNER/LESSEE from undertaking any other work in or about the subject premises, which is unrelated to the façade improvement provided for in this Agreement.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS THEREOF, the parties hereto have executed this Agreement on the date first appearing above.

PROPERTY OWNER

CITY OF ONTARIO

Name

Scott Ochoa, City Manager

Signature

LESSEE/BUSINESS OWNER

Approved as to Form

Name

_____,
City Attorney

Signature