

**OLD TOWN NEWHALL
BUILDING IMPROVEMENT GRANT PROGRAM**

QUESTION AND ANSWER

Eligible/Ineligible improvements

1) Can the grant pay for architectural design, permitting, engineering, etc?

No, the grant award can only be used to pay for the actual work proposed in your application. For example, grant funds can be used to pay for actual construction work for an exterior façade remodel; however, the applicant would be responsible for any fees for architects, designers, City, County, State fees, insurance premiums, associated with the construction.

2) What kinds of non-conforming business uses would prevent a building from being eligible for the building improvement grant?

Any existing business that is not permitted under the City's Unified Development Code and/or the Downtown Newhall Specific Plan would disqualify the property from the program. Furthermore, properties that have more than one storefront and have one or more non-conforming business(es) would be disqualified from program eligibility. The grant program area includes various zoning designations and permitted uses. Property owners and businesses are encouraged to contact the Planning Division at 661/255-4330 to determine if they are a conforming use and eligible for the grant program.

3) Can the grant pay for murals?

No, murals are not an allowable building improvement. However, improvements to the building to accommodate a mural, such as framing or decorative arches, may be considered. As part of the application, three (3) bids are required to be submitted for the proposed project. Acquiring three (3) bids for subjective content such as art is not feasible.

4) Can the grant pay for improvements to the rear of the building?

The intent of the grant program is to improve the building as a whole. Improvements to the rear of the building will be considered if there is an existing rear entrance that is visible from an alley or parking lot.

5) Can the grant pay to correct code violations?

Grant funds can be used for the cost of the new improvements that rectify the outstanding code violation. An example would be the grant paying for new signage to correct a violation for excessive signage. The grant funds cannot pay for the fees associated with the code violation.

6) Can the grant pay for outdoor furniture?

No, the grant is available for physical improvements, permanently affixed to the main building of the property. Grant funds cannot be used for movable items not proposed to be permanently part of or affixed to the building.

7) Can the grant pay for improvements to a garage, shed, or accessory structure?

No, the grant is available for improvements to the main building on the property. Carports, garages, or secondary buildings are not eligible.

8) Can the grant pay for blade signs that are shown in the Downtown Newhall Specific Plan?

Yes, if awarded, grant funds can be used for the manufacture and installation of blade signs that are permanently affixed to the building. All sign dimensions, locations, and quantity must first be approved by the City's Planning Division and building permits must be issued before work can commence. Please contact the Planning Division at 661.255.4352 and the Building and Safety Division at 661.255.4935 for further information.

Application Guidelines and Requirements

1) Can a business apply for the grant even if they do not own the property?

Yes, a business owner can apply for grant funds with the property owner's consent. As part of the application, the property owner must sign and notarize the "Property Owner(s) Statement". If the property has more than one owner all owners or parties with ownership must sign the Property Owner Statement.

2) If I am a tenant, what kind of work requires property owner consent?

In order for staff to review your application, the "Property Owner(s) Statement" must be signed and notarized by the property owner(s). All work associated with the application requires the property owner(s) consent.

3) Do I have to apply for the full \$20,000?

No, you can apply for projects valued at less than \$20,000. Grant funds can also assist with projects valued over \$20,000. All projects paid for by grant funds must be allowed under the program guidelines.

4) Can a property owner who is also a contractor supply bids for the building improvement program?

No. Bids must be obtained from contractors not financially connected with the beneficiary, including family members.

5) What is the requirement for Lead Based Paint Testing?

The lead based paint testing requirement on the grant application does not apply to buildings occupied by a commercial use. A revised application is now available noting the exemption cited by HUD and removing the lead based paint testing requirement for buildings with a current commercial use. Residential structures must be occupied by a non-residential use to be exempt.

6) How many layers of paint will be tested for lead?

No paint removal will require lead based paint testing. All commercial buildings are exempt from this HUD requirement. Residential structures must be occupied by a non-residential use to be exempt.

7) What kind of licensing does the contractor have to have to be able to bid?

- The contractor needs to be licensed by the State of California, appropriately for the type of work being performed.
- The contractor cannot be on the federal list of debarred contractors.
- The contractor needs to observe all requirements of the federal Davis-Bacon Wage Act, including worker to supervisor ratios, payment of prevailing wages, and all reporting requirements.

Grant Process

1) What is the general process to apply for the grant?

The grant follows a simple 4 step process.

- First, a business or property owner should meet with City staff to discuss any and all improvements to a building. This will help identify improvements which the grant can pay for. It also allows staff to comment generally on the improvements being considered.
- Second, the property owner should have conceptual plans drawn for the improvements.
- Third, the property owner should gather necessary photographs, sample paint or materials, and submit a paper application.
- Fourth, staff will determine applicant eligibility. If the applicant is eligible, they will be issued a scope of work that lists all items that are approved.
- Fifth the applicant will obtain three (3) estimates for the work approved in the scope of work.

These five steps should be completed before March 1, 2010. Please take care to plan sufficient time between steps to schedule time with staff, obtain the needed paperwork, material samples and bids.

2) Are funds awarded on a first-come, first-serve basis?

No. The grant program currently has a grant application deadline of Monday, March 1, 2010. The grant application and supporting materials are due by then. No grant awards will be made before March 1. If any funds are left unspent following grant awards of those submitted before March 1, a second round of grant applications will be made available.

3) What is the review process for the grant?

Applications for the Building Improvement Grant are due to the City on March 1, 2010. Projects will be reviewed by City staff and recommended to the City Council for award of funding. Property owners or tenants that apply for a grant will be notified of any public meeting awarding grants for the Building Improvement Program.

4) How is the grant paid?

The grant pays for the building improvements once completed by a licensed contractor. The City will issue a two party check made payable to the property owner and the contractor. The property owner will be responsible for picking up the check from the City and then making payment to the contractor.

5) If the contractor requires a deposit, can the grant provide those funds?

Yes, a deposit can be issued to the contractor with a two party check on an as needed basis. The law allows for only 10% of the total to be paid as a deposit prior to the start of work. If progress payments are needed, the contractor should include a schedule in the bid.

6) Is there a sunset time of when funds need to be spent?

Funds for the Building Improvement Program must be spent by September 2012.

Oversight

1) Will program staff inspect the work?

Program staff will visit the work site to evaluate the progress and eligibility of the work during the construction process and prior to any payments. City staff will also visit the worksite and interview workers for Davis-Bacon Wage Act compliance. Construction inspection will be conducted by Building and Safety staff as required for each Building Permit.

2) What if I don't like the work?

The contract for the work is between the business/building owner and the contractor. It is the responsibility of the applicant to ensure the work is performed according to the contract.

For more information contact:

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