

Community Catalyst Building Remediation Program



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Iowa Economic Development Authority

Stanton (pop. 689) Catalyst Project



Community Catalyst Building Remediation

- Purpose
- Definitions
- Program Descriptions
- Program Eligibility
- Pre-Application & Application Scoring
- Funding Decisions
- Agreement Required
- Q & A

Purpose

Community Catalyst Building Remediation

The authority was directed to establish a community catalyst building remediation fund to provide grants to cities for remediation or redevelopment of underutilized buildings. The authority shall administer the fund in a manner to make grant moneys annually available to cities for the purposes of this chapter.

Definitions

Community Catalyst Building Remediation

“City”

Iowa Code chapter 362 defines “city” as “a municipal corporation”, but not including a county, township, school district, or any special-purpose district or authority. When used in relation to land area, “city” includes only the area within the city limits.

Community Catalyst Building Remediation

“Building”

a structure located in a city that is either:

- Used or intended to be used for commercial purposes
- Used or intended to be used for residential purposes

Community Catalyst Building Remediation

“Agreement” - contract for financial assistance, including terms

“Applicant” - a city applying for financial assistance

“Authority” - Iowa Economic Development Authority (IEDA)

Community Catalyst Building Remediation

“Community Catalyst” - a building, if remediated, that would stimulate additional economic growth or reinvestment in the community, especially private sector financial investment.

- Economic growth may include: creation of additional jobs, growth of new or existing businesses, development of new housing units, increased property values, potential population growth and demonstrate public/private sector investment
- Building located in an area central to the city’s economic development activities and a priority for the city
- A community catalyst project will be expected to have a significant positive expected impact on the community
- The catalyst grant is essential to the project

Community Catalyst Building Remediation

“Costs directly related” - expenditures incurred for acquisition, deconstruction, disposal, redevelopment or rehabilitation of a community catalyst to the extent that the expenditures are attributable directly to the remediation or redevelopment of the community catalyst

- Includes expenditures for site preparation work, surveying, construction materials, construction labor, architectural services, engineering services, building permits, building inspection fees and interest accrued on a construction loan during the time period allowed for project completion.
- Does not include expenditures for furnishings, appliances, accounting services, legal services, loan origination and other financing costs, syndication fees and related costs, developer fees, or the costs associated with selling or renting dwelling units of housing projects.

Community Catalyst Building Remediation

“Director” - Director of the IEDA

“Financial assistance” - grant made by the authority to an approved applicant (city)

“Program” - procedures, agreement, terms, and assistance established and provided pursuant to the chapter

Community Catalyst Building Remediation

“Project” - proposed plan for remediation of underutilized buildings in a city

- Must include at least one building but no more than two.
- For two buildings to be considered part of the same project, the buildings must be contiguous and under same ownership.
- All buildings to be remediated must be included in the proposed plan upon application, and the plan must demonstrate the steps necessary to further remediation and redevelopment efforts in a comprehensive and coordinated manner.

Community Catalyst Building Remediation

“Public nuisance” - a building that is a menace to the public health, welfare or safety, or that is structurally unsafe, unsanitary or not provided with adequate safe egress, constitutes a fire hazard, or is otherwise dangerous to human life, or a hazard to public health, welfare or safety by reason of inadequate maintenance, dilapidation, obsolescence or abandonment. Public nuisance includes buildings with blighting characteristics as defined by Iowa Code section 403.2.

Community Catalyst Building Remediation

“Redevelopment” - development activities associated with a project undertaken either for the purpose of remediating underutilized buildings, for constructing new buildings or improvements at a site where existing buildings will be demolished, or for rehabilitating, reusing or repurposing existing buildings or improvements at a project site.

- Redevelopment typically includes projects that result in the elimination of blighting characteristics as defined by Iowa Code section 403.2.

Community Catalyst Building Remediation

“Remediation” - the redevelopment, repair, improvement, rehabilitation, disposal or deconstruction of at least one but no more than two underutilized buildings at a site included in a project.

“Underutilized building” - a building that is vacant or mostly vacant, is blighted or severely deteriorated, and contains potential safety hazards including structural instability, code noncompliance, vermin infestation, vandalism or potential vandalism, vagrancy, hazardous materials or generally unsafe or hazardous conditions. The building may or may not be considered a public nuisance.

Program Description & Application Process

Community Catalyst Building Remediation

“Amount, form and timing of assistance”

- » Provides financial assistance to cities for the redevelopment or remediation of underutilized buildings.
 - Amount of assistance awarded determined by the authority
 - Each applicant shall receive no more than one grant per project, per fiscal year
 - Maximum grant amount per applicant per fiscal year shall not exceed \$100,000
- » Authority shall allocate 40 percent of moneys to funding grants to cities with populations less than 1,500.

Community Catalyst Building Remediation

“Application”

» Forms

- All applications shall be on forms established by the authority and found in Iowa Grants

» Pre-application

- An application may not be submitted to the authority until a pre-application has been submitted and approved by the authority.
- Pre-applications may be submitted starting August 27, 2019.

Community Catalyst Building Remediation

“Application” cont.

» Application period

- Each fiscal year when funding is available, applications will only be accepted during the established application period as identified by the authority on its website.
- Applications are due April 17, 2020.

» Complete application required

- An application shall not be considered for review until the application is completed and all required supporting documentation provided. Iowa Grants will not allow you to submit without all required documents.

Community Catalyst Building Remediation

“Application” cont.

» Emergency project applications

- Cities that identify projects that present a unique and immediate threat or opportunity may apply for funding at any time.
- A “unique or immediate threat” includes unforeseen challenges or problems that could result in catastrophic failure of a building’s structural system and overall integrity.
- A threat includes various acts of nature, such as flood, fire or storm damage, or sudden and unexpected structural failures, such as partial wall collapse.
- Deferred maintenance will not be considered an immediate threat.
- A “unique or immediate opportunity” is a time-sensitive remediation project that is reasonably expected to result in economic growth.

Community Catalyst Building Remediation

“Application” cont.

» Approval of assistance

- The authority will review, score and recommend applications for assistance to the director.
- Authority staff will review and score applications for assistance.
- A project that does not receive funding may reapply.

Community Catalyst Building Remediation

“Application” cont.

» Contract required

- The authority shall enter into an agreement with each applicant for the receipt of a grant under this chapter.
- The agreement must state the terms of the financial assistance to be provided.
- Agreement must require the applicant to provide resources, including financial and/or in-kind resources, to the remediation project.
- The authority may negotiate the terms of the agreement.
- Applicant shall execute the agreement before funds are disbursed.

Community Catalyst Building Remediation

“Application” cont.

» Form of financial assistance

- The authority will provide financial assistance in the form of a grant to the applicant (city).
- The amount of the grant and any other terms shall be included in the agreement.

Community Catalyst Building Remediation

“Application” cont.

» Use of funds

- Applicant shall use funds only for reimbursement of costs directly related to the project. The authority may require documentation establishing actual costs incurred for a project. Failure to use funds for reimbursement of costs directly related to a project shall be grounds for default under the agreement.
- The authority shall coordinate with the applicant to develop a plan for the use of the grant moneys that is consistent with the community development, housing and economic development goals of the city.
- Agreement terms shall be consistent with the plan developed.

Program Eligibility, Scoring and Funding Decisions

Community Catalyst Building Remediation

“Eligibility, scoring and funding decisions”

» Eligibility

- Applicant must be a city
- Project must first meet the definition of “building”
- Building must then meet the definition of “underutilized”
- Building must meet the definition of “community catalyst”
- Project must include financial and/or in-kind resources contributed by the city
- Applicant must complete the application and provide all other information and documents required by the authority

Community Catalyst Building Remediation

“Eligibility, scoring and funding decisions”

» Pre-Application scoring criteria

Economic growth means the project should include:

- Job creation/retention
- Growth of new or existing business
- Development of new housing units
- Increased property values of the project (will the project be on the tax rolls?)
- Potential population growth

Community Catalyst Building Remediation

“Eligibility, application scoring and funding decisions”

» Pre-Application scoring criteria

- Public/private sector investment
- Building will be in an area central to the city’s economic development activities
- Project will be a model and stimulant for additional projects
- The selected building is a priority for the city
- The Catalyst grant is essential to the project

Community Catalyst Building Remediation

“Eligibility, application scoring and funding decisions”

» Application scoring criteria

- Project Impact (0-30 Points)
- Project Appropriateness (0-10 Points)
- Project Funding/Partnerships (0-10 Points)

- Sustainability/Smart Growth Principles (Required but not scored)

Community Catalyst Building Remediation

“Eligibility, application scoring and funding decisions”

» Funding decisions

- Staff review
 - Each application will be reviewed and scored.
 - Scores assigned will be referred to the director with a recommendation for funding, including the amount.
- Director’s decision
- Minimum score required (30 of 50 possible points)
- Notification

Agreement Required

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“Agreement required”

- » Each approved applicant shall enter into an agreement with the authority; agreement will establish terms on how the financial assistance is provided.
- » Agreement may be amended at any time upon mutual agreement.
- » Agreement may require applicants to submit information reasonably required by the authority to make reports to the authority’s board, the governor’s office or the general assembly.
- » Development agreement required between city and private owner

Application Cycle

FY 2020 Application Cycle

- » All pre-applications and applications submitted through Iowa Grants @ iowagrants.gov
- » Pre-applications may be submitted and approved starting August 27, 2019
- » Pre-applications must be submitted by January 31, 2020, to be considered eligible for this fiscal year's funding cycle
- » Applications are by invitation ONLY
- » Application Deadline: April 17, 2020
- » Announcement: Iowa Downtown Conference 2020
 - Project Commencement: after all contracts signed and returned to IEDA
 - Project Completion: 24 months after award

2020 Application Cycle

- » One application per Iowa Community
 - Total Fund: \$1,000,000
 - Grant Maximum: \$100,000
 - Grants: Reimbursement basis
 - Two grant draws/requests for funds allowed. Mid-progress draw **CANNOT** exceed 60% of total award
 - Costs incurred before contract or project commencement cannot be included as part of the grant reimbursement

Pre-Application

Pre-Application – City must be the applicant!

- » Brief project description
- » Describe what is driving the project locally
- » How and why was this building selected
- » Describe the impact of the catalyst grant on the project
- » Total dollars applied for and estimated total project cost
- » City's financial contribution and/or in-kind contribution
- » Property owner's contribution
- » Attach city map with project address identified
- » Attach photos of the building/site
- » If property/building is owned by a private owner, who is that owner? (provide details)

Full Application

Community Catalyst Building Remediation

- » Project Impact (0-30 points)
- » Project Appropriateness (0-10 points)
- » Project Funding/Partnerships (0-10 points)

- » **Total Score (0-50)**
- » Must score 30 points minimum to be considered for funding

- » Sustainability/Smart Growth Principals (required but not scored)

Community Catalyst Building Remediation

Required Documents

- » City Letter of Support
- » Map of Downtown and Existing Photos
- » List and description of any additional contractual liabilities
- » Financing/Loan Commitment Letters/Pro Formas
- » Grant Award Letters
- » Sustainability/Smart Growth Principals (required but not scored)



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Developing a Catalytic Rehab Project

Tim Reinders, Main Street Design Specialist

Doing Good Rehab

- » Take Care of the Building Envelope
 - Good Roofs/Drainage
 - Treat Masonry Properly
 - Windows
- » Do Good Basic Design
 - Good Storefronts
 - Respect the Building's Character and Integrity
- » Interiors/Upper Floors



Doing Good Rehab

» Take Care of the Building Envelope

- Good Roofs/Drainage



Doing Good Rehab

- » Take Care of the Building Envelope
 - Treat Masonry Properly



Doing Good Rehab

- » Take Care of the Building Envelope
 - Treat Masonry Properly



Doing Good Rehab

» Take Care of the Building Envelope

- Windows



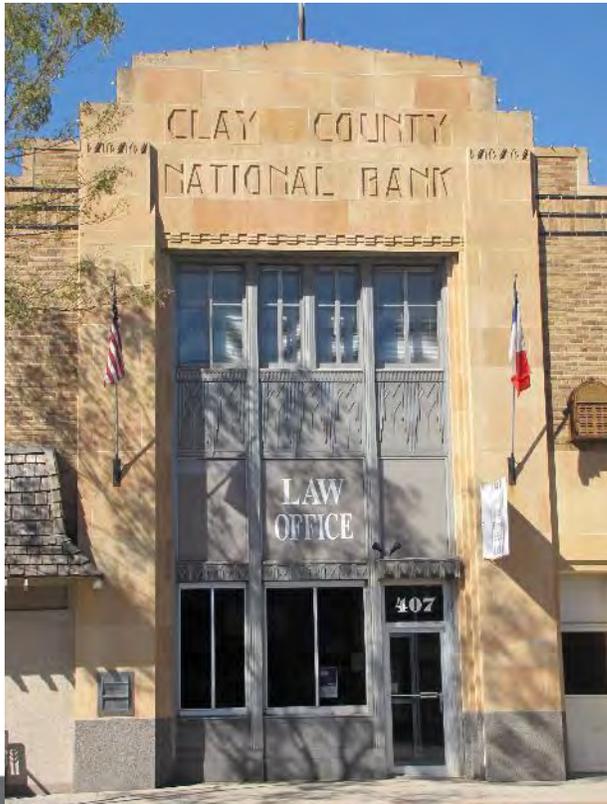
Doing Good Rehab

- » Do Good Basic Design
 - Good Storefronts



Doing Good Rehab

- » Do Good Basic Design
 - Respect the Building's Character and Integrity



Gross Accounting - Dunlap



Staw Center – Elkader



Heaps Electric - Dunlap



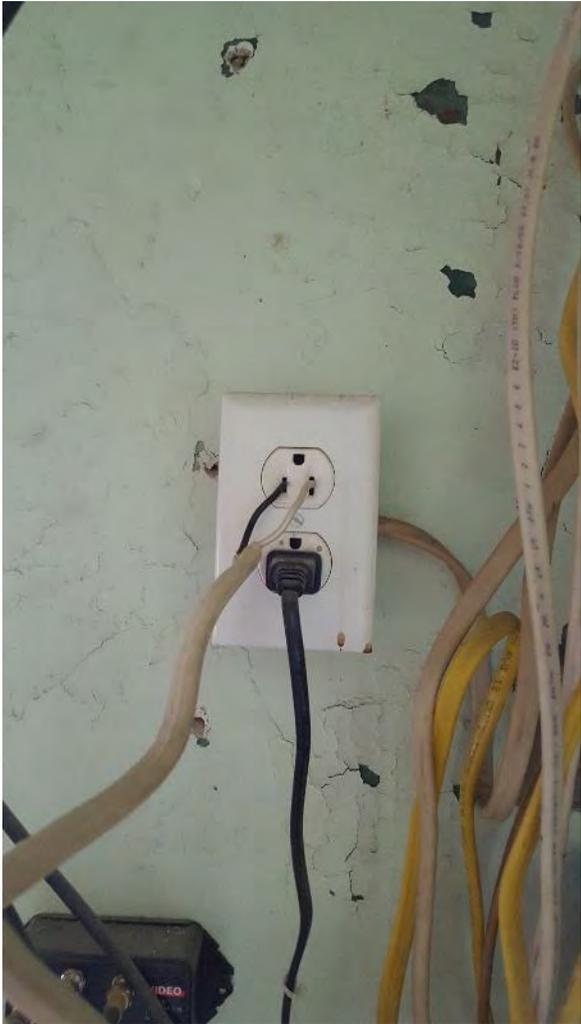
Former Rust Engineer – Cedar Falls



Senior Center - Woodbine



Upper Floors – Untapped Resources



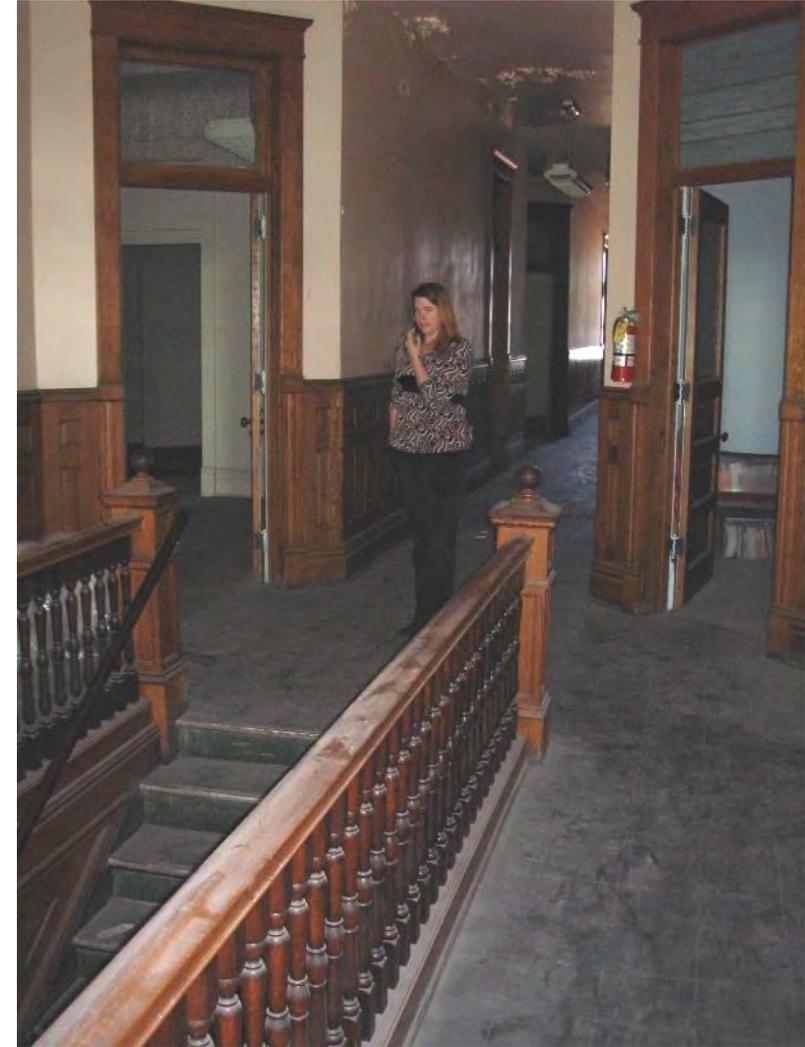
Upper Floors – Untapped Resources



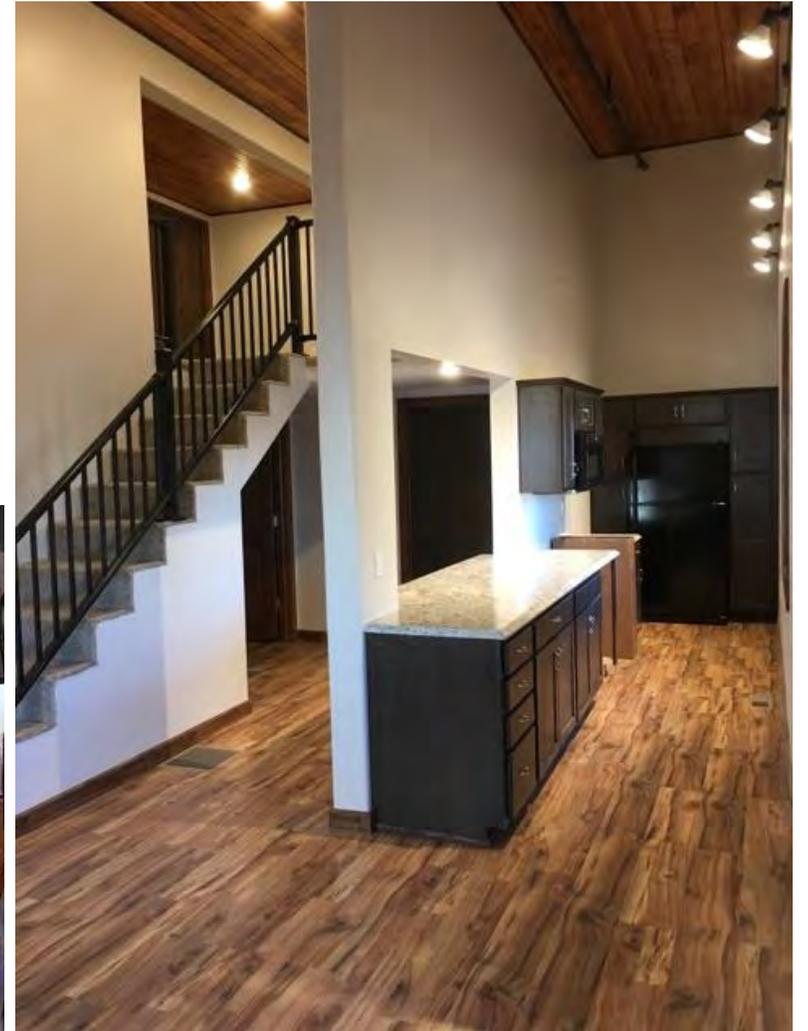
Upper Floors – Untapped Resources



Upper Floors – Untapped Resources



Upper Floors – Untapped Resources



Upper Floors – Untapped Resources



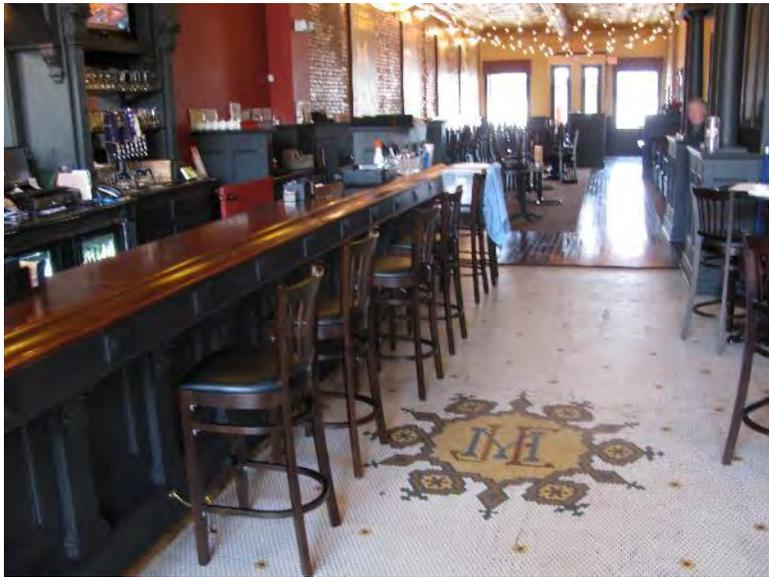
Upper Floors – Untapped Resources



Commercial Interiors



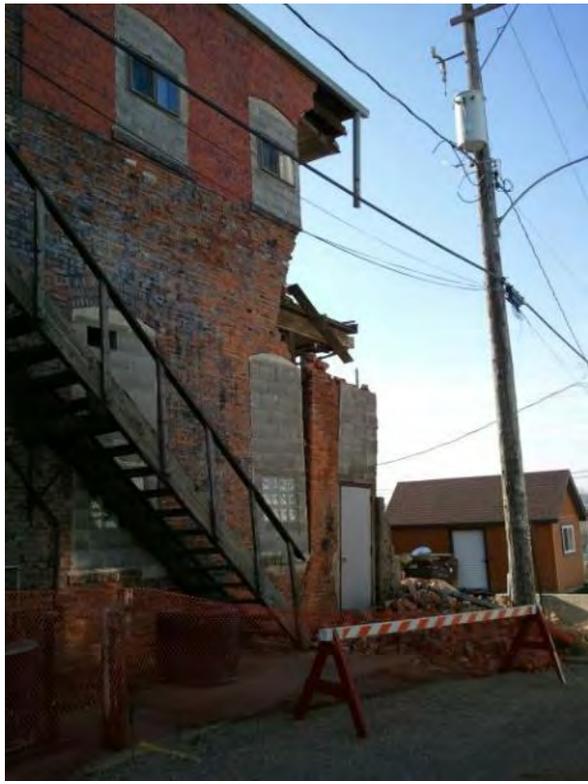
Commercial Interiors



Can it Be Saved? SHOULD it be Saved?



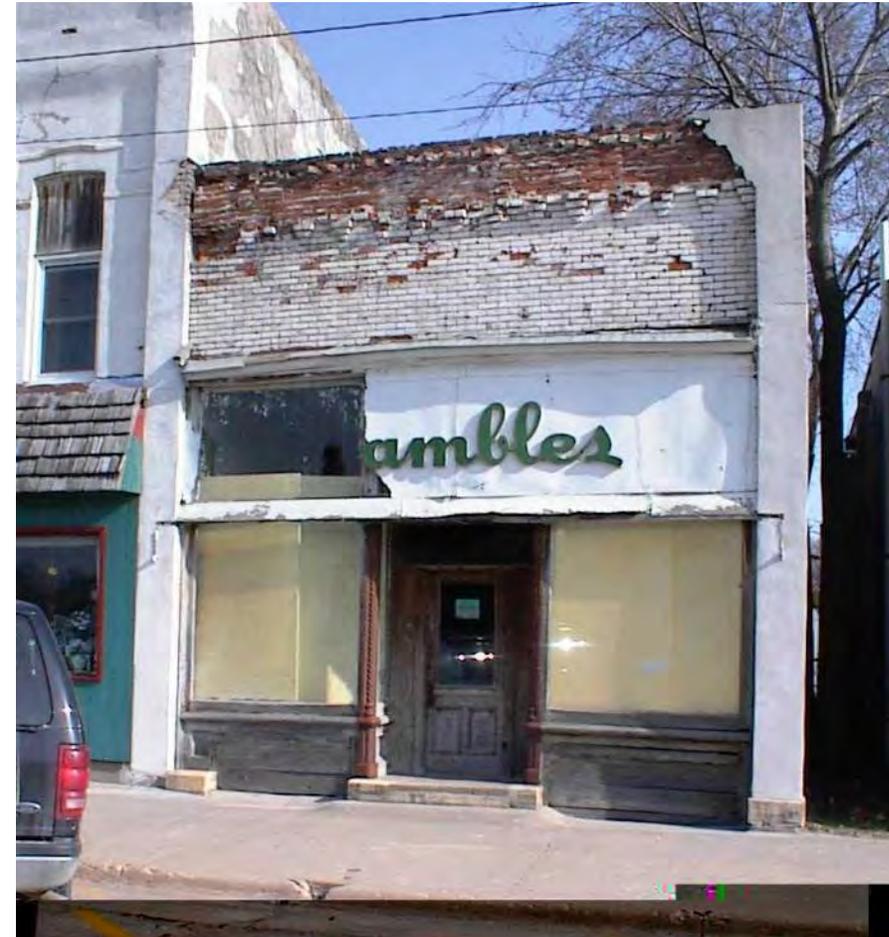
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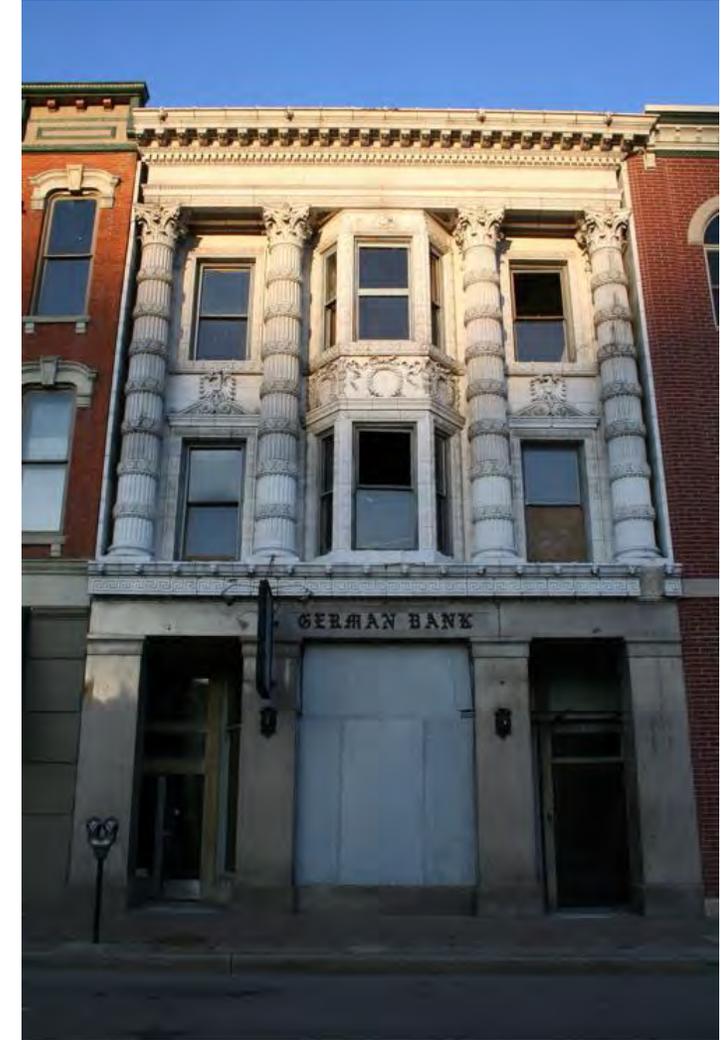
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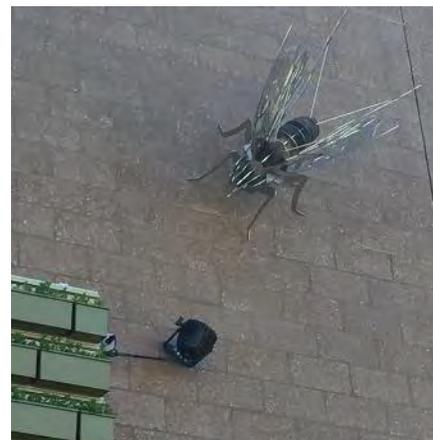
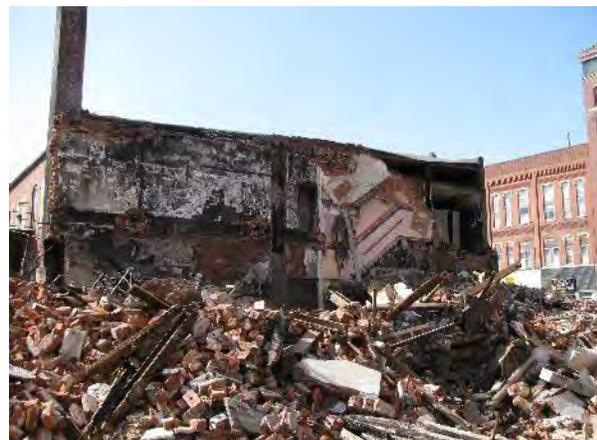
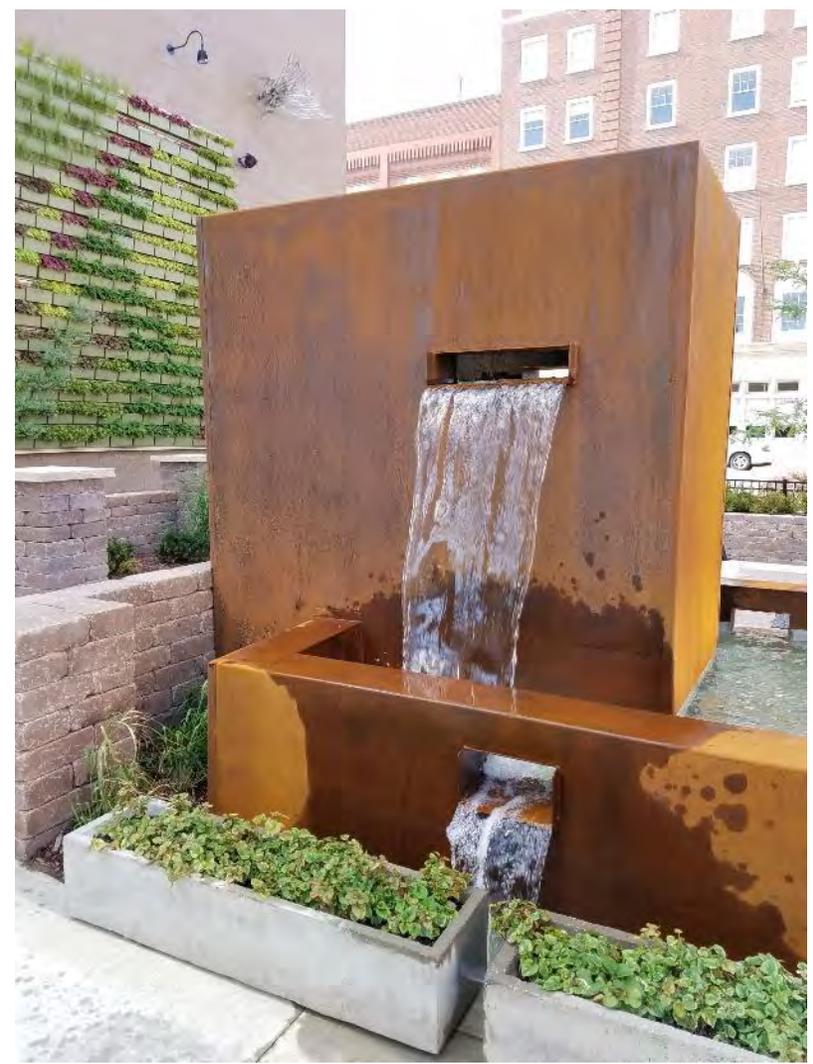
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Can it Be Saved? SHOULD it be Saved?



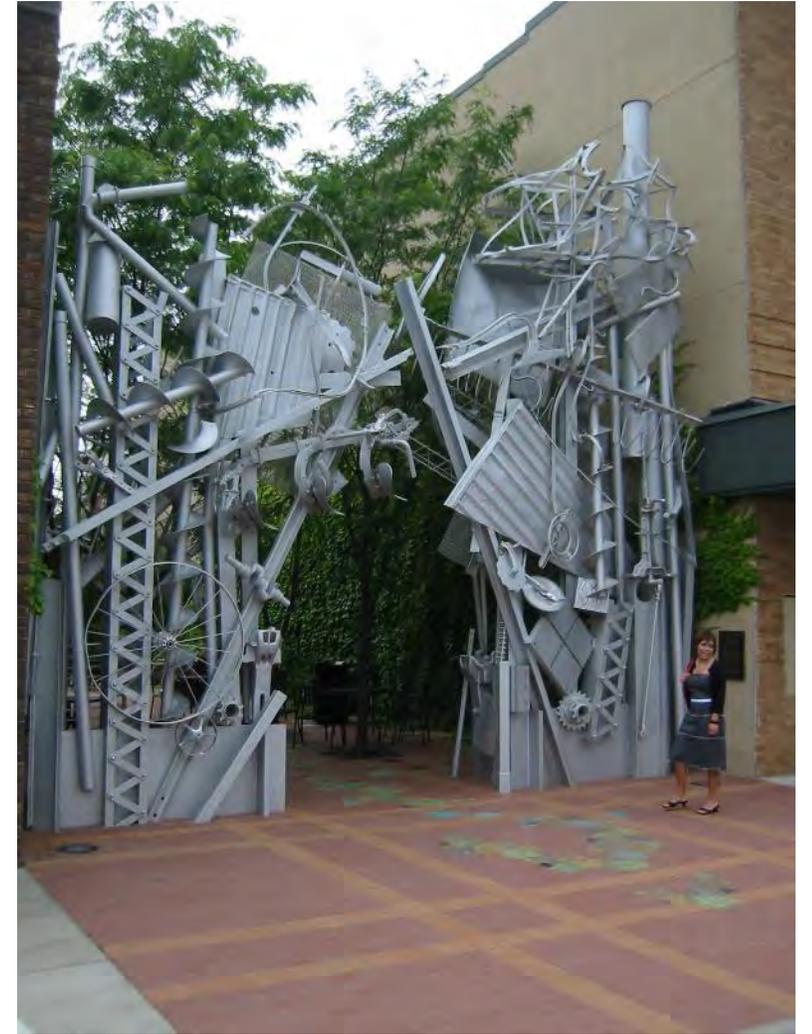
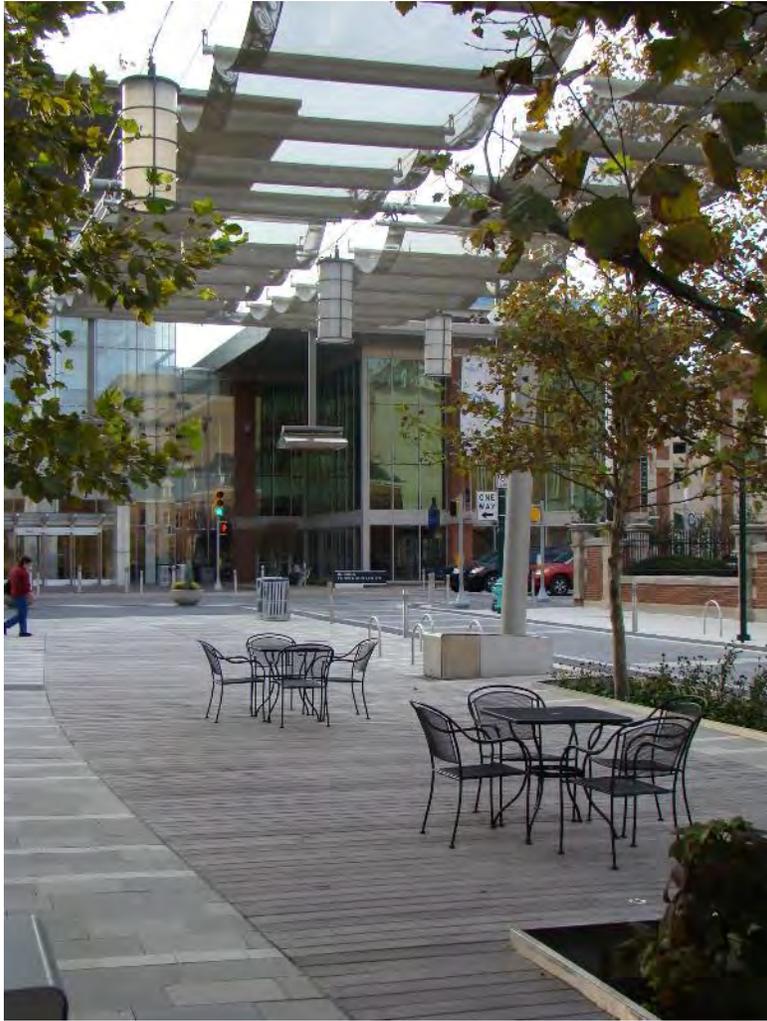
What Goes Back? New Infill



What Goes Back? Placemaking



What Goes Back? Placemaking



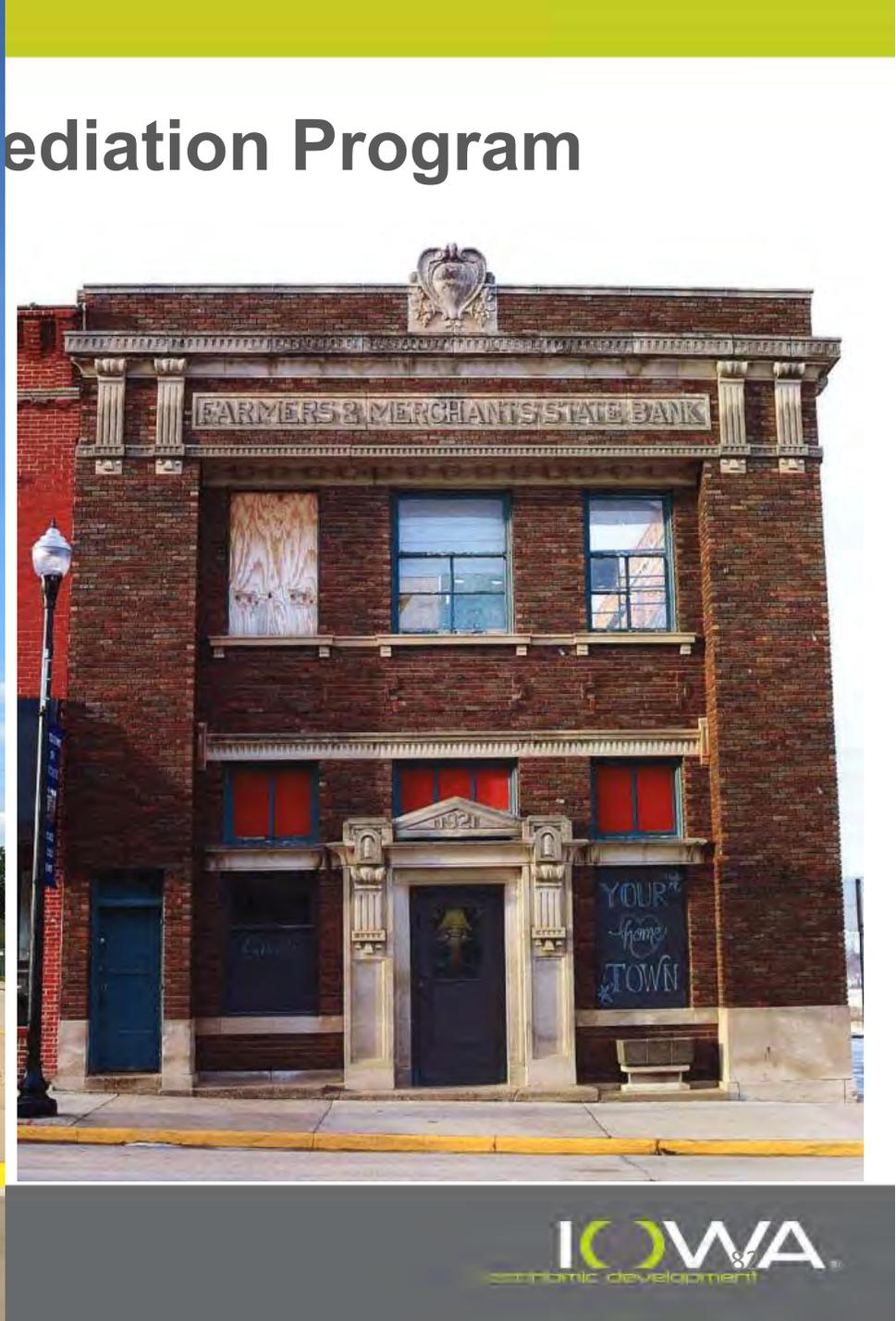
Questions?

Wrap-up





Mediation Program



Program



Community Catalyst Building Remediation Program

What didn't work:

- 1) An application without plans/rendering
- 2) No or lousy photos
- 3) Location: Building is in an area that will not spur further development

Community Catalyst Building Remediation Program

What didn't work:

- 4) Surprisingly, low-cost estimates
- 5) Building use should be a catalyst;
 - office remodeling
 - limited business hours
 - vacancy with no thought about use
 - already strong business tenants

Community Catalyst Building Remediation Program

What didn't work:

- 6) Applicant with little or no personal investment.
-And/or little or no city support

- 7) Just another great project. Is this the project that will be downtown catalyst. Or, has that already happened?

Community Catalyst Building Remediation Program

What didn't work:

- 8) Project does not address total building
- 9) Blah. Blah. Blah. Too much repetitive information. Just tell us what we need to know.
- 10) Demolition: Eligible, but perhaps not competitive



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