

Jim Thompson | Downtown Economic Development Specialist Iowa Economic Development Authority

Stanton (pop. 689) Catalyst Project





- Part One
 - Program, Eligibility, Funding Decisions & Scoring
- Part Two
 - Appropriate Design
- Part Three
 - Wrap Up



The authority was directed to establish a community catalyst building remediation fund to provide grants to cities for remediation or redevelopment of underutilized buildings.



» Eligibility

- Applicant must be a city
- Building must first 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" - a building, if remediated, that would stimulate additional economic growth or reinvestment in the community, especially private sector financial investment.



<u>"Project"</u> - 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.



<u>"Remediation"</u> - the redevelopment, repair, improvement, rehabilitation, disposal or deconstruction of at least one but no more that two underutilized buildings at a site included in a project.

<u>"Underutilized building"</u> - 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.



"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



» 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.



- 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.



» 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



» Contract required

- The authority shall enter into an agreement with each city for the receipt of a grant and must state the terms.
- Agreement must require the applicant to provide resources, including financial and/or in-kind resources, to the remediation project.
- Agreement may require applicants to submit information reasonably required by the authority.
- The authority may negotiate the terms of the agreement.
- Applicant shall execute the agreement before funds are disbursed.
- Development agreement required between city and private owner



FY 2021 Application Cycle

- All pre-applications and applications submitted through lowa Grants @ iowagrants.gov
- Pre-applications may be submitted and approved starting September 30, 2020
- Pre-applications must be submitted by January 29, 2021, to be considered eligible for this fiscal year's funding cycle
- » Applications are by invitation <u>ONLY</u>
- » Application Deadline: April 16, 2021
- » Announcement: June 2021Award Letters
 - Project Completion: 24 months after award



2021 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. Midprogress draw <u>CANNOT</u> exceed 60% of total award
 - Costs incurred before project commencement cannot be included as part of the grant reimbursement



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)



- » 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)



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)



- » 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 grants help communities redevelop, rehabilitate or deconstruct buildings to stimulate economic growth and reinvestment in the community.

- $_{\odot}$ All 942 Iowa Cities are eligible
- \circ City must be the applicant and must provide financial investment
- $_{\odot}$ Nearly \$9,000,000 grants invested in three fiscal years
- $_{\odot}$ Over \$26,000,000 in local match
- $_{\odot}$ Approaching 100 funded projects
- \circ 60% of scoring is based on use of the improved property and how catalytic
- $_{\odot}$ 40% of funds must be allocated to cities with populations under 1,500



Developing a Catalytic Rehab Project

Maia Fiala Jessen, Main Street Design Coordinator



Good Rehab Basics

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





- Take Care of the Building Envelope
 - Roofs/Drainage





- Take Care of the Building Envelope
 - Treat Masonry Properly







- Take Care of the Building Envelope
 - Windows





- » Good Basic Design
 - Storefronts







- » Good Basic Design
 - Appropriate Materials







- » Good Basic Design
 - Retain and respect the building's historic character





- > Utilize the full building
 - Commercial Interiors





- » Utilize the full building
 - Upper Stories











Senior Center, Woodbine







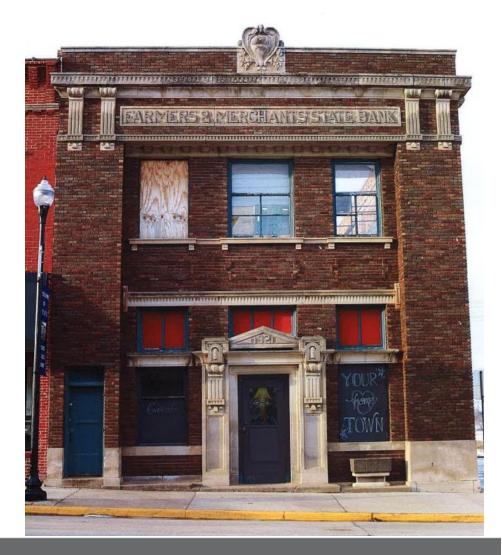
Wrap-up







mediation 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



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



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 a downtown catalyst. Or, has that already happened?



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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