



City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 61060

File ID: 61060

File Type: Resolution

Status: Reconsidered
Business

Version: 5

Reference:

Controlling Body: FINANCE
COMMITTEE

File Created Date : 06/19/2020

File Name: Recovery Program

Final Action:

Title: ALTERNATE - Amending Resolution Substitute Resolution No.61179 relating to the purposes of the Façade Improvement Grant Fund to add a stated purpose of Downtown Recovery.

Notes:

Sponsors: Lindsay Lemmer, Michael E. Verveer, Satya V. Rhodes-Conway and Michael J. Tierney

Effective Date:

Attachments: 61060 v5_Alternate.pdf, Facade Objectives and Criteria: 6/26/20.pdf, 61060 v4 3rd Substitute.pdf, 61060 v3_2nd Substitute.pdf, 61060 v2_Substitute.pdf, 61060 v1_Original.pdf

Enactment Number:

Author: Ald. Lindsay Lemmer, District 3

Hearing Date:

Entered by: lveldran@cityofmadison.com

Published Date:

Approval History

Version	Date	Approver	Action
1		Laura Larsen	Approve
2		Laura Larsen	Approve
3		Laura Larsen	Approve
5		Laura Larsen	Approve

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

1	Mayor's Office	06/19/2020	RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - MISC. ITEMS		
	Action Text: This Resolution was RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - MISC. ITEMS				
	Notes: 15 Votes Required				
1	COMMON COUNCIL	07/14/2020	Refer	ECONOMIC DEVELOPMENT COMMITTEE	Pass
	Action Text: A motion was made by Carter, seconded by Abbas, to Refer to the ECONOMIC DEVELOPMENT COMMITTEE. The motion passed by voice vote/other.				
	There were 3 registrants in support, and 107 registrants in opposition.				
	Notes: Additional Referral to Finance Committee				
2	ECONOMIC DEVELOPMENT COMMITTEE	07/15/2020	Referred	FINANCE COMMITTEE	07/20/2020
	Action Text: This Resolution was Referred to the FINANCE COMMITTEE				
	Notes:				
2	ECONOMIC DEVELOPMENT COMMITTEE	07/15/2020			
3	FINANCE COMMITTEE	07/20/2020	RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER		Pass
	Action Text: A motion was made by Carter, seconded by Verveer, to RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER. The motion passed by the following vote:				
	Notes:				
	Ayes: 5 Donna V. Moreland; Barbara Harrington-McKinney; Keith Furman; Michael E. Verveer and Sheri Carter				
	Noes: 1 Rebecca Kemble				
	Non Voting: 1 Satya V. Rhodes-Conway				
2	COMMON COUNCIL	07/21/2020	Refer	FINANCE COMMITTEE	Fail
	Action Text: A motion was made by Carter, seconded by Verveer, to Refer to the FINANCE COMMITTEE,. The motion failed by the following vote:				
	Notes: Motion to refer failed.				
	Ayes: 9 Barbara Harrington-McKinney; Patrick W. Heck; Lindsay Lemmer; Michael E. Verveer; Paul E. Skidmore; Syed Abbas; Sheri Carter; Michael J. Tierney and Samba Baldeh				
	Noes: 11 Shiva Bidar; Marsha A. Rummel; Donna V. Moreland; Zachary Henak; Arvina Martin; Tag Evers; Grant Foster; Rebecca Kemble; Keith Furman; Christian A. Albouras and Max Prestigiacomo				
	Non Voting: 1 Satya V. Rhodes-Conway				
4	COMMON COUNCIL	07/21/2020	Place On File Without Prejudice		Pass

Action Text: A motion was made by Moreland, seconded by Bidar, to Place On File Without Prejudice. There were 8 registrants in support, 118 in opposition. The motion passed by the following vote:

Ayes: 14 Patrick W. Heck; Lindsay Lemmer; Shiva Bidar; Marsha A. Rummel; Donna V. Moreland; Zachary Henak; Arvina Martin; Syed Abbas; Tag Evers; Grant Foster; Rebecca Kemble; Keith Furman; Christian A. Albouras and Max Prestigiacomio
Noes: 6 Michael E. Verveer; Paul E. Skidmore; Sheri Carter; Michael J. Tierney; Samba Baldeh and Barbara Harrington-McKinney
Non Voting: 1 Satya V. Rhodes-Conway

4 COMMON COUNCIL 08/04/2020

Text of Legislative File 61060

Fiscal Note

The proposed resolution adds the Downtown Recovery Program to the Façade Improvement Grant program. The 2020 Adopted Capital Budget includes \$125,000 for the Façade Improvement Grant program. In 2020, this entire program was funded through reserves in the Capital Revolving Loan Fund. The current balance of the 2020 appropriation is approximately \$60,000. This resolution does not increase the overall funding amount for the program in 2020, or transfer additional funding from other capital sources. Instead, the resolution expands eligibility under the current Façade Improvement program to fund building repairs in the Downtown.

Title

ALTERNATE - Amending Resolution Substitute Resolution No.61179 relating to the purposes of the Façade Improvement Grant Fund to add a stated purpose of Downtown Recovery.

Body

WHEREAS on State Street alone, 70 percent of businesses are locally owned and operated, and 62 percent of businesses are owned by people of color and women; and,

WHEREAS, these businesses also employ many Madisonians, including a number of people of color and women; and,

WHEREAS, the COVID-19 shutdown and recent activity has prompted 41 business owners to indicate in a recent survey that they will find it difficult to reopen and could close permanently; and,

WHEREAS, this area is a substantial economic driver for our City and our residents want to ensure its survival, and

WHEREAS, according to the Downtown Plan, we aim to make this a magnet for a diverse population working, living, visiting, and enjoying an urban environment; and,

WHEREAS, a going concern for downtown Madison is critical in continuing to attract new jobs, residents and visitors; and,

WHEREAS, we wish to support the survival of the retail and service environment; and,

WHEREAS, the City of Madison desires to provide financial assistance to existing downtown businesses as the first step toward promoting a more equitable downtown recovery; and,

WHEREAS, on February 3, 2004, the Common Council of the City of Madison adopted

Amended Substitute Resolution No.61179 (the "Resolution") to accept the policy objectives for the program, which are contained in the Attachment; and,

WHEREAS, the Common Council desires to amend the purposes of the fund to support the objective set forth herein, referred to as the Downtown Recovery Program,

NOW THEREFORE BE IT RESOLVED, that the Resolution is amended to add the Downtown Recovery Program as an objective of the Façade Improvement Grant Program with the following structure:

1. Priority will be given to applicants who are people of color, immigrants, women, the disabled, veterans and any other underrepresented groups;
2. Provide grants to small, independently-owned downtown businesses that have suffered extraordinary losses in 2020;
3. That businesses who apply should meet the following criteria:
 - Ownership/management that meet one or more of the following:
 - A business with at least 50% of the owners residing in Dane County.
 - A business with at least 50% of key managers living in Dane County, and where said managers independently control purchasing decisions, managers make independent decisions regarding the name and look of the business, including marketing, advertising, logo design and branding decisions. Managers make independent decisions regarding business procedures, practices and policies.
 - A business that is headquartered in and registered to a Dane County address.
 - Occupy a storefront, retail, or commercial space physically located within the City of Madison downtown;
 - Have experienced more than \$500 in damages in 2020;
 - Be in compliance with all local, state, and federal taxes (or on an approved payment plan);
 - Employ 20 or fewer full-time equivalent (FTE) employees, including the owner(s);
 - Earn less than \$750,000 in annual revenues (gross sales and receipts).
4. The City will subtract the amount of reimbursement received by the business for repair or insurance deductible costs through any other program (internal or external to the City) from the total cost of the repairs or insurance deductible used in the City's calculation of support through the Recovery Program.
5. Grant Terms:
 - Grants may be up to \$12,000 per business location, but are limited to the lesser of the insurance deductible or the actual cost of the building repair.
 - Recipient shall provide documentation that contractors have been paid, or the insurance deductible has been paid. Adequacy of such evidence is at the discretion of the City.
6. Eligible Expenses
 - Eligible Expenses are limited to exterior repair to commercial structures, including, but not limited to, the repair or replacement of damaged windows, doors, signage, lighting, and exterior façade items, the cleaning of exterior façade surfaces, the repair and cleaning of interior spaces, fixtures, furniture, and costs associated with boarding-up

facades.

- Exclusions: Loss of business, payroll, and related operating costs (including rent, taxes, special assessments, and utilities) are not eligible for reimbursement.

7. Administration

- The program will be managed by the Department of Planning, Community, and Economic Development (DPCED).
- DPCED staff will prepare an application to request funds. The Application will require documentation that repairs have been made and either the contractor(s) or insurance company deductible has been paid.
- Authorization is granted to the DPCED Director, or their assigns, to approve each grant without further Council action.
- Each grant will be processed as a Purchase Order billed against this program account, and not a contract. Therefore, standard City contract requirements will not apply to these grant recipients. Any requirements for Purchase Orders will apply.
- Applications will be processed in the order they are received, as long as funding is available.
- The DPCED Director is allowed to make modifications to the program without further Council action as long as the use of the funds are generally consistent with the purpose of the program in a form approved by the City Attorney.”; and,

BE IT FINALLY RESOLVED that the Economic Development Division staff are directed to prepare documents and policies, and Ordinances or Resolutions, if necessary to carry out the purposes of this resolution.



CITY OF MADISON
FAÇADE IMPROVEMENT GRANT PROGRAM
Building and beautifying Madison, one storefront at a time



Department of Planning & Community & Economic Development
Economic Development Division
215 Martin Luther King Jr. Blvd., Suite 300
Tom Otto (608) 243-0178
totto@cityofmadison.com
www.cityofmadison.com/facadegrant

OBJECTIVES AND CRITERIA

All applications for Façade grants will be reviewed for compliance with the following Objectives and Criteria, which were approved by the Common Council on February 3, 2004.

PROGRAM OBJECTIVE

Restoring, or substantially beautifying, or enhancing the entire façade or elevation of a commercial building.

GENERAL CRITERIA FOR THE FAÇADE IMPROVEMENT GRANT PROGRAM

1. The Program is intended to assist property owners or tenants with improvements or restorations of the esthetics and architectural appearance of a complete building façade. The Program is not intended for repairs or maintenance activities.
2. The Program is intended to assist projects that promote retail activities, create an attractive environment, encourage neighborhood character and architectural design, use quality materials, and incorporate good design concepts. Projects meeting these objectives are eligible for a grant for up to one half the cost of facade improvements (see General Criteria #5).
3. The Program is intended to assist small private businesses. Property owners of service or commercial/mixed-use structures and building tenants, with leases of more than one year in length, are eligible for funding. Governmental entities and public and quasi-public authorities are ineligible for funding.
4. The funds may be used to restore the historical appearance of a building or to rehabilitate, enhance, or beautify the structure. Eligible items include uncovering and restoring historical façades, removing existing façade materials and replacing them with more appropriate and attractive designs and materials, and other detailing which leads to a substantially enhanced appearance.

Although not eligible for funding on their own, the following may be funded as part of a more comprehensive façade improvement: windows, doors, exterior cleaning, tuckpointing, painting, exterior lighting, shutters, gutters, awnings, and historical architectural elements.

The Program will only fund projects that significantly improve the visual appearance of the whole façade of the property from the street. Design and permit fees associated with the construction are also eligible projects costs.

5. Grants will be provided in an amount up to 50% of the total project cost, to a maximum of \$10,000 per street facing façade. Maximum amounts would range from \$10,000 for a single street facing façade, \$20,000 for a building with two facades, and \$25,000 for “flatiron” buildings. The owner/tenant must use private, non-City, funds to match the City’s grant.
6. Review of a specific application will be completed by a staff team consisting of the Manager of the Office of Economic Revitalization, the Housing Rehabilitation Specialist, the Planner III, Historic Preservation; the Office of Business Resources Manager, and the Principal Planner, or designee. The Director of the Department of Planning and Community and Economic Development is an alternate for any absent member.
7. Properties located in the following target area are eligible:
 - Properties located in the Central Business Improvement District
 - King Street
 - 300, 400, and 500 blocks of East Wilson Street
 - Williamson Street
 - Atwood Avenue
 - East Washington Avenue from Fourth Street to Highway 30
 - South Park Street
 - East Johnson Street
 - Regent Street
 - All of Monroe Street
 - Winnebago Street
 - Lakeside Street
 - Old University Avenue from Chestnut Street to Farley Avenue
 - Sherman Avenue
 - All commercially zoned City designated historic landmarks in the City of Madison

Please see the attached maps for more detail on the exact areas.

SPECIFIC REQUIREMENTS FOR THE FAÇADE IMPROVEMENT GRANT PROGRAM

1. Projects must be started within 30 days following approval and completed within 120 days. Extensions to the 120-day completion period may be granted for inclement weather, or the ordering of special building materials. If the applicant requests an extension in writing, the City will notify the applicant of its approval or denial.
2. A Letter of Assurance that construction has not been completed prior to grant approval.
3. The owner/tenant shall comply with all applicable provisions of the Madison General Ordinances concerning equal employment opportunity and affirmative action programs and practices in connection with the construction work being completed using these funds. The

owner/tenant shall assist and actively cooperate with the City in obtaining the compliance of contractors with such provisions of the Ordinances, and with the rules, regulations, and relevant orders issued by the City pursuant to such provisions of the Ordinances.

4. The owner/tenant/contractor shall obtain the required permits before beginning the construction work. Copies of the permits shall be furnished to the Economic Development Division staff.
5. Owner/tenant will pay for the completed construction work and submit paid receipts and lien waivers from the contractors to the Economic Development Division staff for payment. Proof of completion, copies of lien waivers, and compliance with code requirements will be required before reimbursement.

ITEMS TO BE INCLUDED IN THE FAÇADE IMPROVEMENT GRANT PROGRAM REQUEST SUBMITTALS

1. Applications must be submitted to the Economic Development Division, 215 Martin Luther King Jr. Blvd., Suite 300, along with the \$100 application fee.
2. The application from an owner should include a copy of the building deed, or land contract. An application from a tenant must include a copy of the lease and written approval from the owner for the application.
3. Both applications must include photographs of the facades to be improved.
4. If the application is conditionally approved, the owner/tenant will be required to prepare and submit cost estimates and drawings of the proposed work, in order to obtain final approval.

APPROVAL REQUIREMENTS FOR THE FAÇADE IMPROVEMENT GRANT PROGRAM

The Common Council has designated the Community Development Authority of the City of Madison (CDA) as the agent of the City for the purposes of operating and administering the Façade Improvement Grant Program. The CDA is responsible for reviewing the administration of the Façade Improvement Grant Program by the Department of Planning and Community and Economic Development (DPCED) staff and making recommendations to the Mayor, and Common Council on matters pertaining to program policies, procedures, and administration. Consistent with the rehabilitation loans of the City administered by the CDA, the Director of the DPCED or his designee is hereby authorized and directed to administer the Façade Improvement Grant Program.

1. The DPCED Director, with the approval of the CDA, is authorized to make such rules and regulations and to issue such orders and notices, in such form or manner as may be necessary and proper to put into full force and effect any and all of the provisions of the Façade Improvement Grant Program.
2. The DPCED Director, under appropriate circumstances or conditions and with the prior approval of the CDA, is authorized to waive such provisions or requirements as are promulgated in the Façade Grant Program.

3. The DPCED Director is authorized on behalf of the CDA to call upon any department, board, commission, or agency of the City for assistance and cooperation in carrying out the Façade Grant Program, and all City departments, boards, commissions, and agencies are authorized and directed to cooperate with and furnish assistance to the CDA, the DPD Director, and the DPD staff in carrying out the Program.
4. The DPCED Director, or designee, is authorized on behalf of the CDA to approve or reject Façade Improvement Grant Program applications under procedures set forth herein.
5. Following submission of the application and fee, the proposal will be reviewed with the owner/tenant, a site visit will be conducted, the proposal will be referred to the Urban Design Commission (UDC) for comments and recommendations, and if the proposal meets the requirements of the Façade Improvement Program, a conditional letter of approval will be forwarded to the owner/tenant. This letter may require improvements or changes in order to qualify for the Grant.
6. An applicant, if approved, will receive a commitment letter from the City stating the approval and any conditions appropriate to the approval. This letter must be signed by the Director of the Planning and Community and Economic Development Department or the Director of the Economic Development Division, or the Manager of the Office of Economic Revitalization. All other communications from staff are advisory and do not represent commitments