

City Of Torrington

ECONOMIC DEVELOPMENT
(860) 496-5920



140 Main Street • City Hall
Torrington, CT 06790-5245

MEMORANDUM

TO:

City Council

CC:

FROM:

Rista Malanca, AICP

file

DATE:

JUNE 14, 2022

RE:

Façade Program – ARPA

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ FOR YOUR USE ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Dear Council Members,

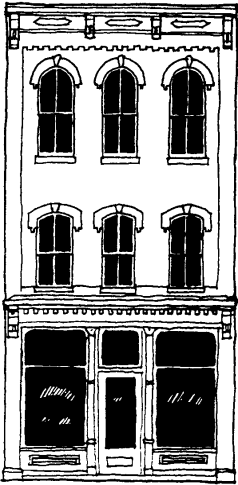
As you are aware, the City recently ran a Façade and Building Improvement Grant Program that was highly successful. The first round of this program the Council awarded 22 applications. Grant awards totaled \$462,582 and leveraged \$873,286 worth of investment into the Community.

There is still significant demand for further façade and life safety code improvements that can be incentivized by a second round of a Façade and Building Improvement Grant Program.

At its last meeting, the ARPA Committee voted unanimously to make a recommendation that City Council authorize up to \$250,000, of the \$600,000 dedicated to small business and non-profit direct assistance, for a second round of Façade and Building Improvement Grant Program.

It is my recommendation that the City Council approve the revised program description for the City of Torrington's Façade and Building Improvement Program and authorize the release of Round 2 of this program.

As with the last round, all final funding decisions will be made by the City Council. The ARPA Committee will review applications and make funding recommendations.



Torrington Façade & Building Improvement Program

Mayor's Office
140 Main Street
Torrington, CT
06790

The Torrington
Façade and Building
Improvement
Program is funded
through a grant
provided by Building
Healthier
Communities

TORRINGTON FAÇADE AND BUILDING IMPROVEMENT PROGRAM APPLICATION

Round 2

PROJECT DESCRIPTION

Release Date: ~~August 16, 2021~~ TBD

Round 1 Closing Date: ~~September 10, 2021~~ TBD

Round 2 Closing Date: ~~October 1, 2021~~ TBD

STATEMENT OF PURPOSE:

The intent of the Torrington Façade and Building Improvement Program (Program) is to strengthen the economic viability of the City, stimulate reinvestment in commercial buildings and facilitate local economic development. To achieve this goal, the City is providing a financial incentive to property owners and tenants to improve the exterior appearance of their building and make necessary interior renovations that improve the quality of commercial buildings in Torrington.

Note: Construction work started before project approval is not eligible for reimbursement

PROGRAM GOALS:

- Encourage Private investment in commercial properties
- Improve Commercial building to encourage growth and reduce vacancies in storefronts and upper floors
- Enhance the appearance of the neighborhoods commercial area
- Strengthen local business
- Rehabilitate or restore the original character of historic buildings
- Provide a catalyst for others to improve their buildings and storefronts

FINANCING DESCRIPTION:

This Program will provide incentive financing to stimulate improvements and reinvestment to commercially owned real estate in Torrington. ~~\$2450,000 is allocated to Torrington from the Building Healthier Communities Fund. From the City of Torrington's American Rescue Plan Act Funds.~~

This program will reimburse ~~5075 % of expenses of the first \$25,000~~ of approved improvements ~~and 25 % of expenses for the remaining \$25,000 of approved improvements~~, up to \$50,000 of total project costs. Maximum award of \$25,000.

Example:

	Cost of approved improvements	Amount Reimbursed	Amount Applicant Pays
	\$25,000 <u>\$50,000</u>	\$18,750 <u>\$25,000</u> (5075%)	\$6,250 <u>\$25,000</u>
	\$25,000	\$6,250 (25%)	\$18,750
Total	\$50,000	\$25,000 (Max Award)	\$25,000

Approved projects will be reimbursed after construction is complete and approved by Program Coordinator and verification that the contractor has been paid.

In the case where a financial institution is involved, the rebate may be paid directly to the lender and used to reduce the loan principal. In the instance where a bank loan is not involved, the rebate will be issued as a check to the applicant.

PROGRAM PRIORITIES:

The focus of the Program is to improve and enhance the exterior visual appearance of existing commercial buildings and to make interior improvements that allow a variety of uses to easily occupy the space in order to attract new businesses. Funding priorities are:

- Buildings that are located within the Downtown District or directly along one of the City's Gateways (Route 4, Route 202 or Route 800)
- Interior improvements that address Building and/or Fire Code deficiencies.
- Interior or exterior improvements that attract businesses to vacant spaces and/or improve the City's Grand List
- Improvements that preserve Buildings that are historically and/or architecturally significant.
- Projects which enhance economic development (e.g. Tourism, travel, hospitality).
- Structures owned or operated by private, non-profit organizations are eligible; however, non-tax exempt properties will be given priority.
- Projects that clearly meet the stated goals of this program

- Use of local contractors

OPERATIONAL MATTERS:

The Mayor will oversee the Torrington Façade and Building Improvement Program. The City of Torrington's Economic Development Office will act as the Program Coordinator.

All applications will be approved by the City Council. The Program-Advisory Committee, will be the ARPA AD-Hoc Committee Established by City Council on April 18, 2022 has been appointed. The Mayor, Program Coordinator and ~~the Program~~-Advisory Committee will review applications and make recommendations to City Council.

ELIGIBLE APPLICANTS:

- Owners of existing commercial structures, located within Torrington, are eligible to apply for funding under the Torrington Façade and Building Improvement Program.
- Tenants of existing commercial structures; with owner's permission.
- Private, non-profit organizations: provided they:
 - Enhance economic development within the City of Torrington,
 - The facility is open to the public and
 - Building use(s) is consistent with local revitalization goals.
- Mixed-use projects with commercial space on the ground floor and residential space above are eligible applicants.

NON- ELIGIBLE APPLICANTS:

- Properties that are exclusively residential in nature, not assessed for commercial use, including apartment buildings, home-based businesses, religious institutions, and municipal buildings are not eligible.

ELIGIBLE EXTERIOR/FAÇADE IMPROVEMENTS:

Eligible expenses include materials and wages for improvements to the front, rear and side facades of buildings that are visible from a public street or parking area. The buildings proposed for façade improvements must be owned or used by eligible applicants. Eligible work includes repair, renovation, reconstruction and restoration as follows:

- Carpentry
- Storefront construction
- Awnings
- Painting
- Signs (when done in conjunction with other façade improvements)
- Masonry cleaning and repair
- Window repair/replacement
- Doors/entryways
- Lighting
- Sidewalks construction/replacement

- Improvements to allow outdoor dining/programming
- ADA improvements in conjunction with façade work
- Roof repair/replacement (when done in conjunction with façade improvements and when the roof is a distinctive element of the façade and is visible from the street)
- Other work as deemed appropriate by City Council.

ELIGIBLE INTERIOR/BUILDING IMPROVEMENTS:

Eligible expenses include materials and wages for improvements to the interior of the buildings. The buildings proposed for interior improvements must be owned or used by eligible applicants. Interior improvements are intended to improve the overall condition of commercial buildings within the City of Torrington. Eligible work includes repair, renovation, reconstruction and restoration as follows:

- Utility upgrades; such as electrical or gas improvements that bring the building up to Building/ Fire codes; add necessary services to expand uses or improve efficiencies (reduce operating costs).
- Fire Protection, including sprinklers, alarms and fire rated walls/ceilings, to bring the building into compliance with the Building/Fire codes.
- Elevators
- Ventilation
- Carpentry
- Doors/entryways
- Lighting
- ADA improvements
- Other work as deemed appropriate by Torrington FIP committee.

INELIGIBLE EXPENSES:

Ineligible expenses are those not specifically stated under eligible expenses such as, but not limited to, the following items:

- Expenses related directly to a specific tenant fit out is not eligible; i.e. commercial kitchens, display cabinets/counters, or aesthetic improvements. (other than signage)
- Professional & service Fees for architecture, design, engineering services, and construction management.
- Interior wall painting
- Finish flooring
- Pedestrian amenities
- Parking Lot Improvements
- Rehabilitation expenses incurred prior to application submittal, review and approval;
- Property acquisition/mortgages
- Mortgage refinancing
- Cost of borrowing (loan interest & fees)
- Site plan, building permit or sign permit fees
- Construction of new buildings or additions to existing structures
- Wages paid to the applicant, employees of the applicant, or members of applicant's family for construction work
- Any portion of expenses for which the applicant pays a contractor in merchandise or service in lieu of cash.

APPLICATION, APPROVAL AND PAYMENT PROCESS:

Program Coordinator is available for a pre-application meeting. Pre-application meetings will help explain the process, review recommended design guidelines, and advise the applicant of other applicable approvals/permits required (building permits, wetlands, zoning, CT Historical Commission, local historical district commission, sign permits, etc.). The program coordinator can provide guidance; however, it is the applicant's responsibility to secure any and all needed permits.

Business prepares and submits application to Program Coordinator with all necessary documentation.

APPLICATION CHECKLIST

- ☐ If you are a tenant, a letter from the landlord/property owner approving the proposed renovation work.
- ☐ A color photograph of the existing façade;
- ☐ The renovation design plan with paint colors, awning and material samples (as appropriate);
- ☐ Status report on securing any required local/state permits/approvals;
- ☐ Two (2) written cost estimates for each component of the project must be submitted. Each estimate should include the contractors Business name, contact person, address and phone number. The applicant should indicate their preferred vendor. If preferred vendor is not the lowest bidder, please explain why.
- ☐ Sets of drawings/specifications for the improvement
- ☐ Sign design and specifications, if applicable. (One Electric copy or three hard copies)
- ☐ Awning design and specifications, if applicable, including a fabric/color sample.
- ☐ Painting plan, if applicable, and paint color samples
- ☐ Two (2) written cost estimates for each component of the project must be submitted. Each estimate should include the contractors Business name, contact person, address and phone number. The applicant should indicate their preferred vendor. If preferred vendor is not the lowest bidder, please explain why.
- ☐ current photographs showing the front, side and rear facades of the building.

- ☐ A certificate of insurance listing the project applicant as an additional insured will be required prior to start of construction.
- ☐ Vendor paperwork must be submitted for the entity receiving the reimbursement checks

APPLICATION REVIEW PROCESS

The Program Advisory Committee will meet to review the application and determine if the application is complete and the project is eligible for a rebate. The Committee may invite an applicant to the meeting to discuss their renovation plans and answer questions if deemed necessary.

The Program Advisory Committee will make recommendations to City Council, on each application, to either approve, approve with minor conditions or deny as presented. If a recommendation to deny is made, rationale for denial along with guidance for modifications, as appropriate, will be made.

City Council will review applications, along with The Program Advisory Committee recommendations and vote to on each application. Applicants can be present at the meeting to answer any questions the City Council may have.

If approved by City Council, the applicant moves on to the next step. If denied, the business consults with the Program Coordinator, or The Program Advisory Committee, to modify the project as appropriate.

DURING CONSTRUCTION / PAYMENT PROCESS

The applicant and Program Coordinator may hold a pre-construction meeting to finalize project details, if necessary. The Program Coordinator, who may refer a decision to the entire Committee, must authorize any modifications to the originally approved renovation plans in writing. Project modifications must be within the limits of the original funding commitment. Any proposed expenses in excess of the original funding commitment must be reviewed and acted upon by the Program Advisory Committee and approved by City Council.

The Program Coordinator, or designee, monitors construction for on-going compliance with the approved renovation plans.

Documentation of all necessary inspections and final sign-offs from State and Local Officials (Building Department, Fire Department, Zoning etc. ...) will be required prior to project completion.

Upon project completion, the applicant provides the Program Coordinator with complete documentation that the approved renovation expenses are paid. Documentation will include both a cancelled check or invoice marked "paid in full" and the contractor or sub-contractor's Certification of Project Payment.

Torrington Project Coordinator, or his/her designee, conducts an inspection of the project, with assistance from Blight Committee members, as appropriate. The Program Coordinator prepares a project report that summarizes the actual project expenses and

recalculates the rebate amount accordingly. The Torrington Program Coordinator consults with the Blight Committee as necessary and determines a final rebate amount.

Upon approval of the project rebate by Program Coordinator, payment to the business is made.

DESIGN GUIDELINES:

Projects approved for the Façade and Building Improvement Program shall comply with the City's rehabilitation/design guidelines and all applicable municipal ordinances.

Torrington's Architectural Review Committee (ARC) has established some basic rehabilitation/design guidelines to encourage historic preservation and rehabilitation work that is compatible with the community's commercial architecture, character and history. The Advisory Committee may require Façade improvements to receive ARC approval even if Site Plan is not required.

Depending upon the scope of the proposed rehabilitation, an applicant may need to secure a building permit for their project. Some renovations may require site plan approval by the local planning and zoning commission as well.