

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DENTON, TEXAS, AMENDING THE DOWNTOWN INCENTIVE REIMBURSEMENT GRANT PROGRAM; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on February 14, 2007, the Downtown Task Force unanimously recommended creating an incentive program to promote desired development/redevelopment in the downtown area of the City of Denton; and

WHEREAS, on April 3, 2007, the City Council of the City of Denton adopted the Downtown Incentive Reimbursement Grant Program; and

WHEREAS on October 13, 2011, the Downtown Task Force recommended changes to the original Downtown Incentive Reimbursement Grant Program; and

WHEREAS on November 1, 2011, the Economic Development Partnership Board recommended the changes to the City Council of the City of Denton, including changing the name of the program to "Downtown Reinvestment Grant Program;" and

WHEREAS, on December 6, 2011, the City Council reviewed changes to the Downtown Reinvestment Grant Program; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The City Council of the City of Denton hereby approves the changes to the Downtown Reinvestment Grant Program, which is attached to and made a part of this ordinance for all purposes.

SECTION 2. The City Council will fund the program in an amount to be considered annually.

SECTION 3. This Ordinance shall become effective immediately upon its passage and approval.

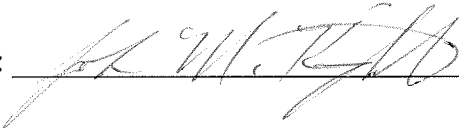
PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
MARK A. BURROUGHS, MAYOR

ATTEST:  
JENNIFER WALTERS, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
ANITA BURGESS, CITY ATTORNEY

BY:  \_\_\_\_\_

# DENTON POLICY FOR DOWNTOWN REINVESTMENT GRANT PROGRAM

## I. GENERAL PURPOSE AND OBJECTIVES

The City of Denton Economic Development department promotes Denton and its unique character through the redevelopment and revitalization of Downtown, historic preservation, community involvement, and by providing educational and technical assistance to business and property owners. With Downtown as a key focus area of the Economic Development Program, the City of Denton City Council adopted the following Downtown Reinvestment Grant Program.

Each fiscal year (October 1 through September 30), the City Council considers allocation of funds in the City's budget for the grant program. Applications are considered as they are received, and may be funded, if approved, until funds are depleted.

## II. GRANT GUIDELINES

1. Façade rehabilitation grant funds are available for exterior work on building facades that immediately overlook public streets located in the Downtown area as defined in the Downtown Implementation Plan (DTIP), see attached map, page 5.
2. Roof and foundation work on commercial buildings in the DTIP area may also be eligible for grant funds, providing costs do not exceed 50% of the grant request.
3. No grant applications will be accepted for work that has already been started or complete, or for work that is covered by insurance.
4. Grants are awarded on a reimbursement basis once completed work has been verified by City staff as compliant with the plans proposed in the approved application. Any deviation from the approved grant project may result in the total or partial withdrawal of the grant. Grants are awarded as a single payment to the applicant.
5. All submitted work will be reviewed based on the Secretary of the Interior's *Standards for Rehabilitation* (see page 7) and the City of Denton's Municipal Codes and Ordinances.
6. Grant applications and awards can be made in any of the reimbursable activities listed below and may be combined for any single property or project. However, the maximum award amount available annually per project is \$25,000.
7. An applicant is defined as an eligible property within the DTIP area. A single owner of multiple properties may apply for grant funds for each property owned, but may not receive more than \$25,000 per property.
8. **If an applicant is awarded a reinvestment grant for façade, awning or sign work and the façade, sign or awning is altered for any reason within one (1) year from construction, the applicant may be required to reimburse the City of Denton immediately for the full amount of the grant.**

9. Projects will be reviewed and ranked with the following considerations in mind:
  - Project results in an increase in property valuation and/or generates sales tax revenue
  - Project rehabilitation reflects historic accuracy
  - Project improves the capacity of water, wastewater and electric utility services
  - Water/Wastewater impact fees are assessed
  - Project results in a significant increase in downtown population (residents and/or day or night users)
  - Location (i.e., proximity to the square, transit station or catalyst project)
  - Other appropriate impacts may be considered on a case-by-case basis

### **III. PROGRAM DETAILS**

Reinvestment grants are available for the following types of projects:

#### **Façade Rehabilitation and Building Renovation**

Definition:

Removing slipcovers or non-historic/added facades, repointing brick or replacing mortar joints, replacing or restoring cornices, removing paint from brick, replacing windows, restoring transom windows, painting, roof and foundation work.

Grant Limits:

Façade rehabilitation and building grants are limited to a 50% match of the eligible projects costs, with a cap of \$25,000 per grant for façade, roof and foundation work. Roof and foundation repair may constitute no more than half of the request and shall only be considered for funding if included as a portion of a larger project.

Paint-only grants are limited to a 50% match with a cap of \$5,000 per grant.

#### **Awnings & Signs**

Definition:

Replacing, adding or repairing awnings & signs. Signs may include signboards, projecting signs and pedestrian signage (includes window sign, hanging sign and awning/canopy sign).

Grant Limits:

Awning grants are limited to a 50% match with a cap of \$5,000 per grant. Sign grants are limited to a 50% match with a cap of \$500 per grant.

#### **Impact Fee Reimbursement**

Definition: Reimbursement for City of Denton water and wastewater impact fees

Grant Limits:

Impact Fee grants are limited to a 50% match with a cap of \$25,000 per grant.

#### **Utility Upgrades**

Definition: Upgrades to water, wastewater and electrical service, includes interior upgrades as well as exterior service upgrades

Grant Limits:

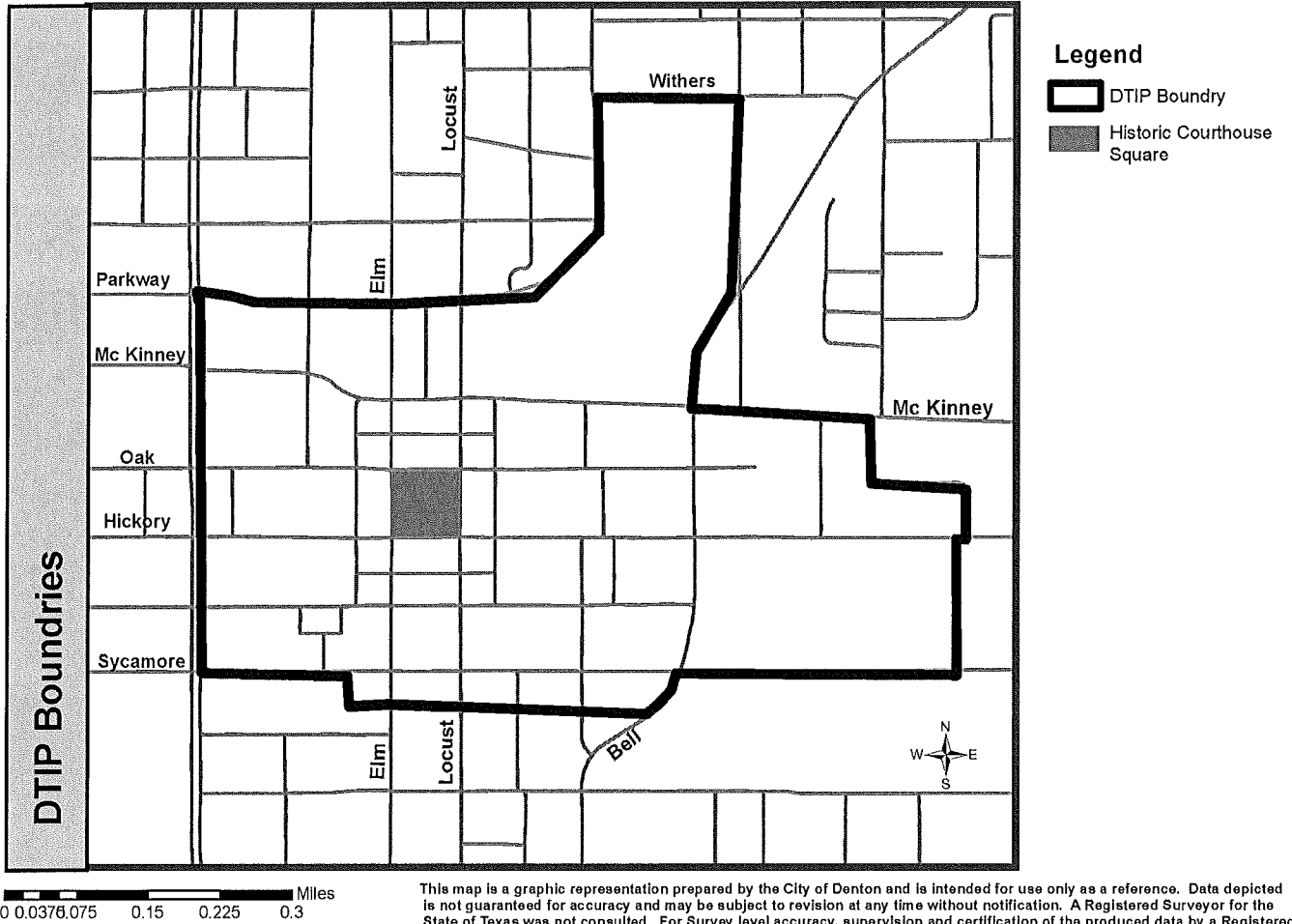
Utility Upgrade grants are limited to a 50% match with a cap of \$25,000 per grant.

#### IV. GRANT APPLICATION PROCESS

1. Contact Economic Development Program Administrator to discuss project and determine eligibility. If requested, the Program Administrator will set up an appointment with the Texas Main Street Center's Architectural Assistance Program, which provides free assistance in selecting paint, color schemes and building and sign materials for building façade and signs.
2. Complete grant application form and sign the agreement form. Return the completed application form with all original itemized work estimates, color samples, drawings and example sign material of the proposed work to the Economic Development office at 215 E. McKinney no later than 5 pm the first Monday of each month. Applications should include:
  - a. Drawings of all proposed grant work to be done. Drawings may be prepared by the Texas Main Street Architect, the project architect, or contractor.
  - b. Color samples of all final paint selections and/or final building or sign material selections **must** be included with the application.
  - c. Itemized work estimates on all project work from contractors or project architects **must** be included with the application. (Self-contracted work will be reimbursed for eligible expenses, excluding labor.)
  - d. Photos of the building's exterior, interior, roof or foundation (areas where work is to be performed).
3. The approval process will include without limitation the following:
  - a. All projects must meet current building standards and codes, as well as building permit requirements.
  - b. Applicants are required to attend and present their grant reinvestment project to the Downtown Task Force (DTTF). Grants of \$10,000 and less will be subject to a recommendation by the DTTF and approval by the City Manager. The DTTF meets monthly, as needed.
  - c. Grants of more than \$10,000 must be reviewed and approved by the Economic Development Partnership Board (EDPB) prior to consideration by the Denton City Council. The EDPB meets monthly and will review submitted applications and consider the DTTF's recommendation.
  - d. If recommended by the EDPB, grants of more than \$10,000 will be placed on the City Council agenda and the Denton City Council will review the recommendations from the DTTF and EDPB. The DTTF and EDPB recommendations are advisory only, and no recommendation shall be binding on the Denton City Council. The Denton City Council has the final discretion with regard to funding and reserves the right to modify or reject any project or elements of any project.
  - e. Applications **must be complete and contain all required information**. Additional information requested by the DTTF, EDPB or the Denton City Council must be provided prior to consideration of the grant.
  - f. All construction bids submitted by an applicant must be current and must be dated no earlier than ninety (90) days prior to the application request. Bids shall be submitted on the contractor's or project architect's letterhead and shall contain the contractor's name, address, telephone number and shall itemize the bid in a manner that allows the DTTF, EDPB and Denton City Council to determine the bid components and authenticity of the bid.

- g. An applicant whose application that has been denied by the Denton City Council shall not be eligible to re-submit a grant application for six (6) months from the date the prior application was declined by the Denton City Council.
  - h. Applicants receiving approval shall commence construction described within the application within ninety (90) days from the date the grant is awarded. All applicants must complete the construction described in the application within one (1) year from the date the grant is approved. If the applicant is unable to commence construction within ninety (90) days from the date the grant is approved or complete construction within one (1) year from the date the grant is approved, the applicant may submit a written request for an extension for the commencement date or completion date provided the extension request is made prior to the ninety (90) day or one (1) year time limit. The DTF or Denton City Council shall not be obligated to allow extensions, but may do so for good cause determined solely by the entity which authorized the grant. The extensions, if granted, shall be for the term and for the conditions determined exclusively by the entity which authorized the grant. An extension denial cannot be appealed and shall be final.
  - i. As a condition of this grant application, the applicant consents and shall allow the Economic Development staff to request City inspections to determine that the grant, if awarded, will not be used for construction on any building that is not in compliance with the City Municipal Codes and Ordinances that are applicable to the construction contemplated in the application.
  - j. No applicant has a proprietary right to receive grant funds. Each request will be considered on a case-by-case basis.
  - k. The applicant shall be required to furnish photographs of the building's exterior, roof and foundation after the construction is completed, as a condition of final grant reimbursement.
  - l. The applicant is required to obtain all applicable City permits and City approvals required for the construction if a grant is awarded.
  - m. An applicant should attend DTF, EDPB and Denton City Council meetings in which consideration of the application occurs.
4. **Reimbursement:** When the grant project has been satisfactorily completed and reviewed, the applicant shall present the Economic Development office with copies of all paid invoices, including copies of cancelled checks and/or credit card receipts, for a single payment reimbursement of the approved funding. In addition, the applicant must complete a City of Denton Vendor Form and a Form 1099 to receive payment from the City. Vendor forms and 1099's will be provided by the Economic Development office.

## DOWNTOWN IMPLEMENTATION PLAN AREA MAP



**EXHIBIT A**



**CITY OF DENTON  
DOWNTOWN REINVESTMENT GRANT PROGRAM  
APPLICATION**

City of Denton  
Department of Economic Development  
215 E. McKinney Street  
Denton, TX 76201  
940-349-7732  
[www.cityofdenton.com](http://www.cityofdenton.com)  
[Julie.glover@cityofdenton.com](mailto:Julie.glover@cityofdenton.com)



# Downtown Reinvestment Grant Program Application

Please return completed with necessary attachments and signature to Economic Development office, 215 E. McKinney no later than 5 pm by the first Monday of each month. If you have any application questions, please contact the Economic Development Program Administrator at 940-349-7732.

<b>Applicant Name</b>		<b>Date</b>
<b>Business Name</b>		
<b>Mailing Address</b>		
<b>Contact Phone</b>		<b>Email Address</b>
<b>Building Owner (if different from applicant)</b>		
<b>Historical/Current Building Name</b>		
<b>Project Site/Address</b>		

**Type of Work: (check all that apply)**

<b>Paint Only</b>	<input type="checkbox"/>	<b>Façade &amp; Building Renovation</b>	<input type="checkbox"/>
<b>Signage</b>	<input type="checkbox"/>	<b>Awnings</b>	<input type="checkbox"/>
<b>Utility Upgrades</b>	<input type="checkbox"/>	<b>Impact Fees</b>	<input type="checkbox"/>

**Details of Planned Improvements relating to Grant Request (attach additional information if necessary)**

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**How will this project benefit Downtown?**

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<b>Project Expenditures</b>	<b>Estimated Costs</b>	<b>Grant Requested</b>
<b>Façade/Building Rehab</b>		
<b>Awnings</b>		
<b>Signs</b>		
<b>Impact Fees</b>		
<b>Utility Upgrades</b>		
<b>Totals</b>		

**TOTAL COST OF PROPOSED PROJECT** \$ \_\_\_\_\_

**TOTAL GRANT REQUEST** \$ \_\_\_\_\_  
(May not exceed 50% of TOTAL COST up to \$25,000)

*Attach with all required color samples of paint, awning/canopy, sign design, etc., as well as photographs of building's exterior facade, roof and foundation.*

\_\_\_\_\_  
*Applicant's Signature* *Date*

## DOWNTOWN REINVESTMENT GRANT AGREEMENT FORM

Please complete and return with Downtown Reinvestment Grant Application to Economic Development office, 215 E. McKinney no later than 5 pm by the first Monday of each month. If you have any questions, please contact the Economic Development Program Administrator at 940-349-7732.

I have met with the Economic Development Program Administrator, and I have read and fully understand the Downtown Reinvestment Grant procedures established by the Denton City Council. I intend to use this grant program for the aforementioned renovation projects to advance the efforts of revitalization and historic preservation of Denton's historic downtown. *I have not received, nor will I receive insurance monies for this revitalization project.*

I understand that if I am awarded a Downtown Reinvestment Grant by the City of Denton, any deviation from the approved project may result in the partial or total withdrawal of the grant. (If I am awarded a reinvestment grant for façade, awning or sign work and the façade, sign or awning is altered for any reason within **one (1) year** from construction, I may be required to reimburse the City of Denton immediately for the full amount of the grant.)

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*Business/Organization Name*

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*Applicant's Signature*

*Printed Name*

*Date*

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*Building Owner's Signature (if different from applicant)*

*Printed Name*

*Date*

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This section is to be completed by Economic Development staff

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*Date considered by DTF*

*Recommendation*

*Staff Signature*

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*Date considered by City Manager*

*Recommendation*

*City Manager Signature*

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*Date considered by EDPB*

*Recommendation*

*Staff Signature*

## REVIEW PROCESS

Total project scores can range from 0 to 30 points.

Recommendations will be based on:

0 - 14 points	=	No funding
15-19 points	=	Grant recommendation up to \$5,000
20-24 points	=	Grant recommendation up to \$10,000
25-30 points	=	Grant recommendation up to \$25,000

Grants more than \$10,000 will be subject to a recommendation by the Denton Economic Development Partnership Board and approval by the Denton City Council.

Grant applications will be scored based on:

- **Economic Impact – 0-5 Points**
  - Total investment dollars as provided in the grant application
  - Investment in structure construction or renovation (excluding purchase price)
  - Investment in furniture, fixtures and equipment; estimated taxable sales
- **Historic Accuracy – 0-5 Points**
  - New construction/complements existing buildings
  - Restores building to historic accuracy
  - Renovation of building with historic marker (Local, state or national historic marker)
- **Upgrades to Utilities/Impact Fees -- 0-5 Points**
  - Requires upgrades in electrical service
  - Increases existing water/wastewater capacity
  - No existing utilities to structure
  - Extends water/wastewater lines (improves additional properties)
  - Impact fees may be ranked depending upon percentage of fees to eligible expenses
- **Increases Population -- 0-5 Points**
  - Increases consumer traffic (day or night)
  - Increases quality or high end residential units
- **Location -- 0-5 Points**
  - Near square or transit area
  - Potential to spur adjacent or nearby development
  - Catalyst project area
- **Other -- 0-5 Points**
  - Partners with other businesses (i.e., shared parking)
  - Project is a “target” business (i.e., grocery, pharmacy, “Denton Store”)
  - Promotes development of Denton Arts and Entertainment District

<b>Grant Scoring System</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Economic impact						
Historic accuracy						
Utility Upgrades/Impact fees						
Increases population						
Location						
Other						
<b>Totals</b>						