



PROGRAM GUIDELINES

COMMUNITY DEVELOPMENT BLOCK GRANT FAÇADE IMPROVEMENT PROGRAM



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1. PROGRAM OBJECTIVES

The Commercial Façade Improvement Program, (*Façade Program*) is funded by the United States Department of Housing and Urban Development (HUD) under its **Community Development Block Grant (CDBG)** program. Through the Façade Program, the City of Clearwater has allocated funds to help enhance the exteriors of commercial properties within the City's low-to-moderate-income areas. This initiative aligns with broader efforts to support urban development and create a more vibrant and welcoming environment for business and residents alike.

The objective of the Façade Program is to:

- Benefiting low-and moderate-income persons.
- To achieve neighborhood stability by addressing the social, economic and physical issues that plague the area.
- To create job opportunities in low- to-moderate-income areas.
- To create jobs for low-to-moderate-income persons.
- To establish a unique and positive identity that instills neighborhood pride and sense of ownership; and
- To revitalize the neighborhood to attract reinvestment in private property.

2. CDBG NATIONAL OBJECTIVE REQUIREMENTS

The Façade Program extends assistance to eligible projects in 2 CFR 570.202(a)(3) Commercial Rehabilitation; façade (exterior) of the building.

All projects participating in the Façade Program must meet a federally established National Objective and be classified as an eligible activity. City staff will verify if the project meets the Low Moderate Area Benefit (LMA) National Objective; **2 CFR 570.208**.

- At least 51percent of residents are low-and-moderate-income residents (LMA).
- The service area is primarily residential.

3. FUNDING SOURCE

Federal: Community Development Block Grant (CDBG). Must meet all federal, state and local requirements for commercial rehabilitation.

TERMS

If approved, funding shall be in the form of "Grant Assistance" to commercial property owners to make façade improvements for properties within the LMA areas within the city limits.

- The maximum amount for a façade grant is sixty thousand dollars and 00/100 cents (\$60,000).
- The maximum grant amount may be adjusted at the sole discretion of the Economic Development & Housing (ED&H) Department Director.
- One (1) grant is allowable within a five (5) year period from close out date of approved project for each applicant.

4. PROGRAM REQUIREMENTS

If approved, funding is available to an eligible property owner to offset eligible project costs. For assistance under the Façade Program, the following criteria must be met:

1. Applicant is the property owner,
2. Property must be located within the city's low- to- moderate-income areas, and primarily residential,
3. CDBG funds are federal funds. To receive federal funds applicant(s) must provide the City with a Unique Entity ID Number (UEI). To apply for an UEI, the applicant must:
 - 1) Visit [Home | SAM.gov](https://sam.gov);
 - 2) Set up a Sam.gov account.
 - 3) Obtain your UEI number
 - 4) Once received, complete our UEI registration.For assistance with SAM.gov call 866-606-8220
4. Applicant is required to have a ten percent (10%) match and shall be used to fund project improvements (*see "7" Distribution of Proceeds/Example Draw Schedule*).
5. Prior to the issuance of a commitment to the property owner, the ED&H Department must approve the conceptual design and preliminary cost estimate for the property owner's proposed improvement project. Approval of the conceptual design by the ED&H Department does not constitute development or building permit approval as may be required by the City of Clearwater, or other approvals required by regulation including, but not limited to, Environmental Review Record, competitive bid processes, etc.
6. Property taxes must be current,
7. Property cannot have current or outstanding code violations. However, code violations may be remedied in conjunction with an improvement project as it

pertains to the façade only. Any fines issued because of such violations must be paid or satisfied prior to application approval,

8. Demonstrate structural soundness of building by obtaining a commercial inspection for structural frame condition and electrical systems by a licensed professional,
9. Demonstrate financial capacity to afford operating costs associated with the property,
10. Property is not associated with a Problematic Use as defined in the Community Development Code or a Prohibited Use as defined in the Downtown Redevelopment Plan,
11. A valid Business Tax Receipt (BTR) is required.
 - o For Information regarding BTR's, contact CODE Compliance Division
(727) 562-4005
BTR@myclearwater.com
www.myclearwater.com/BTR
12. If applicable, existing mortgage(s) on the property must be current and in good standing for a minimum of twelve (12) consecutive months immediately prior to the submission of an application.
13. Property Insurance – The City will require written documentation that the structure is covered by all applicable hazard liability insurance.

ELIGIBLE PROJECTS

The ED&H Department will determine if a project is eligible. Eligible project improvements/costs include those listed in the applicable policy section herein when applied primarily to the principal façade. Improvement projects must be of high quality and designed and constructed by qualified, licensed professionals. The ED&H Department shall have the authority to determine the eligibility or ineligibility of all proposed work.

Facade improvements made prior to execution of the Agreement will not be eligible for funding under the Façade Improvement Program. Exceptions may be authorized for emergency repairs at ED&H's sole discretion.

ELIGIBLE PROJECT IMPROVEMENTS

Construction, installation or renovation	
<ul style="list-style-type: none">- Windows- Doors- Awnings / canopies- Marquees- Shutters- Attached exterior lighting- Soffit and Facia	<ul style="list-style-type: none">- Parapet- Balconies- Porches- Arcades- Cornices- Removal of barriers to access for people with disabilities
Exterior wall treatments	
<ul style="list-style-type: none">- Painting (entire building)	<ul style="list-style-type: none">- Stucco/plastering

Notes:

Painting of unpainted brick or masonry is strongly discouraged.

The ED&H Department reserves the right to require certain minimum improvements as part of the applicant's project to meet the Façade Improvement Program objectives and ensure compliance with City of Clearwater codes and CDBG funding requirements.

EXAMPLES OF INELIGIBLE ACTIVITIES

- Anything that will not be permanently attached to the façade side of the structure.
- Ineligible improvements include, but not limited to, parking lot for creation and/or repaving, signage, general structural upgrades, non-permanent fixtures, security systems, personal property, interior window coverings, equipment, foundation work, fencing, operating capital and any improvements deemed to be inconsistent with the Façade Improvement Program objectives.

5. APPLICATION PROCESS

Applications and submissions are made through the City's Neighborly Software Portal at [Neighborly Software](#). Select "Start a New Application" and go to "CDBG Façade Improvement Program".

1. If you don't have an account, select "Sign up"
2. Once you complete the sign-up process, you'll have access to our applications.

Once applications and supporting documentation are received, the ED&H Department will determine the completeness of applications and may request further information. The decision to accept an application will be based on funding availability and project merits, including support of ED&H Department goals and program objectives. The ED&H Department shall be responsible for the evaluation of program applications and funding determinations.

PROOF OF FINANCIAL FEASIBILITY

The applicant must verify, to the satisfaction of the ED&H Department, the funding of any non-program funded portion of the project. Verification means that sources of funds are committed, terms and conditions are known, and sources have the capacity to deliver.

Funding for the non-program portion of a project is the responsibility of the applicant and can come from a variety of sources including cash investment, bank financing and personal loans.

6. CONSTRUCTION PROCESS

Throughout the project all federal, state and local codes, laws and regulations are to be met including Americans with Disabilities Act (ADA) requirements.

ELIGIBLE CONTRACTORS

The applicant will work with the city to ensure that procurement and labor relations requirements are met. Sealed bidding is the solicitation method used for selection of contractors for projects selected. An Invitation to Bid will be publicly advertised. Attendance at the pre-bid meetings is mandatory for General Contractors to be eligible to submit a bid. Contractors will have two weeks to submit a sealed bid after the pre-bid meeting. Bids will be open publicly at the specified time and location by city staff. Contractors cannot be promised work before the required bid process has finished. According to Federal Regulations, applicants are to use the lowest responsive and responsible bidder. Any or all bids may be rejected by the city if there is a sound documented reason.

The contractor awarded the bid must show evidence of sufficient liability and workers compensation insurance coverage. The applicant will provide the ED&H Department with a copy of the proposed contract with the selected contractor for review.

TIMELY PERFORMANCE

All projects assisted by the Façade Improvement Program must be completed in a timely manner. The project shall be completed in accordance with the project timeline submitted with the application. When it can be demonstrated that circumstances, clearly beyond the applicant's control, prohibit completion within the project timeline, the ED&H Department may grant an extension. Failure to complete the project in a timely manner will result in a cancellation of the contract, de-obligation of any unexpended funds, and at the discretion of the ED&H Department, recapture of expended funds.

DAVIS-BACON ACT LABOR STANDARDS

Federal labor standards provisions of the Davis-Bacon Act require that all employees working on a construction project that is wholly or partially federally funded are entitled to receive the prevailing wage rate for that locality as established by the U.S. Department of Labor. This standard applies to all construction contracts funded with CDBG program funds more than two thousand dollars and 00/100 cents (\$2,000.00).

Prevailing wage rates are listed in the Davis-Bacon Wage Decision, a listing of various construction work classifications, such as carpenter, plumber and electrician, and the minimum rates (and fringe benefits) that people performing work in those classifications must be paid. Davis Bacon standards are updated periodically by HUD.

CONSTRUCTION PROCESS SUMMARY

- Project must be completed in accordance with the project timeline submitted with application.
- Davis-Bacon Act wage standards apply to any project over two thousand dollars and 00/100 cents (\$2,000.00).
- No contractors shall be on the HUD debarment list.
- The applicant is responsible for securing all required permits.
- Use of lead-based paint is prohibited in federally funded projects. Any building to be improved under the Façade Improvement Program constructed prior to 1978 is required to have a lead-based paint inspection performed and any identified issues relating to the presence of lead must be mitigated as part of the overall project.
- Project must be compliant with the Americans with Disabilities Act throughout the five-year monitoring period.

During the construction process, contractors must submit weekly certified payroll reports beginning with the first week the contractor works on the project and every week afterwards until the contractor has completed its work. In addition, contractors must make their employees available at the job site for confidential interviews with the ED&H

Department's third-party inspector as to the type of work they perform and their rate of pay. Every effort will be made to cause as little disruption as possible to on-going work during the interviews.

INSPECTION

The applicant shall permit inspection of the property by the City and its' agents for compliance with all City codes and ordinances pertaining to code compliance and such other inspections deemed necessary in connection with the property, the rehabilitation work, and all contracts, materials, equipment, machinery, fixtures, payrolls, and conditions of employment pertaining to the work.

7. DISBURSEMENT OF PROCEEDS

Prior to disbursement of funds, the applicant and the City must execute a Grant Agreement that states the terms and conditions of the grant.

Grant funds for satisfactorily completed contract-specified work will be disbursed by the City's Finance Department with approval from the ED&H Department. The ED&H Department's third-party inspection firm will verify completeness prior to any disbursements. At no time will the ED&H Department have more grant funds disbursed than the percentage of work completed (except for the initial money withdrawal to cover the cost of materials, if approved by the ED&H Department).

In lieu of reimbursement, the city will pay licensed General Contractors directly through progress payments as work and required documents are submitted and approved by the ED&H Department.

As proof of applicant's match, the city will pay up to 90% (percent) of all contractors' invoices not to exceed the total award amount.

EXAMPLE DRAW SCHEDULE

Draw Number	Percentage (%)	Draw Amount
First Draw Request	10% Applicant's Match	\$6,000
Second Draw Request	40%	\$24,000
Third Draw Request	40%	\$24,000
Final Draw Request	10% retainage; project completion.	\$6,000

8. ADDITIONAL REQUIREMENTS

GRANTS

Only one (1) grant is allowable every five (5) years from the close out date of the project and the applicant must maintain the improvement.

MAINTENANCE

When borrowing Façade Improvement Program funds, the applicant agrees to maintain the improvements, as determined by the ED&H Department in its sole discretion, for a period of five (5) years from the date of project completion.

ALTERATIONS

The Project may not be altered, modified, removed, or demolished without prior written approval of the City five (5) years from the project close out date. Any discrepancy will alter potential grant funds opportunities for additional CDBG Façade Improvement Funds for a total of ten (10) years.

The applicant agrees not to change or alter elements of the improvement project without prior written approval from the ED&H Department for a period equal to the term of the five (5)-year monitoring period.

EQUAL EMPLOYMENT OPPORTUNITY

The applicant shall comply with all applicable provisions of federal statutes and regulations concerning equal employment opportunities for persons engaged in construction undertaken in connection with Façade Improvement Program assistance.

RECORDS

The applicant shall keep such records as may be required by the ED&H Department in connection with the project for a period of five years following project completion.

CIVIL RIGHTS

The applicant shall not discriminate upon the basis of race, color, sex, marital status, handicap, religion or national origin in the sale, lease, rental, use or occupancy of the property to be assisted.

DISPLACEMENT OF TENANTS

No financial assistance will be provided if the project involves the permanent and involuntary displacement of tenants unless the applicant agrees to provide financial

assistance to the tenants consistent with the Federal Relocation and Real Property Acquisition Act, as amended.

REPORTING OF ACCOMPLISHMENTS

ED&H Department may request additional information including job creation, mitigation of blighted condition or other information as may be required.

PROPERTY INSURANCE

The applicant is required to obtain and maintain property insurance for five (5)-years from close out date.

FLOOD INSURANCE

If the applicant's property location resides within the 100 Year Flood Zones, it is required to have flood insurance. For grants and other non-loan forms of financial assistance, flood insurance coverage must be continued for the life of the building irrespective of the transfer of ownership. The amount of coverage must be at least equal the total project cost or the maximum coverage limit of the National Flood Insurance Program, whichever is less.

Before applying, please check to see if your property is in a flood zone.

<https://msc.fema.gov/portal/home>

9. DEFAULT

Applicants will be considered in default, and the grant shall be payable if failure to maintain property improvements for up to five (5) years after closing date.

10. FOR MORE INFORMATION OR TO SCHEDULE A PRE-APPLICATION MEETING

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11.EXHIBIT “A” LOW- & MODERATE-INCOME AREAS MAP

