



SOUTH PADRE ISLAND ECONOMIC DEVELOPMENT CORPORATION FAÇADE IMPROVEMENT GRANT PROGRAM

INTRODUCTION

South Padre Island Economic Development Corporation offers a program of matching funds (50/50) for the façade improvements of businesses within the Form Based Code areas on South Padre Island. The intent of the program is to encourage business owners to enhance the appearance of their storefronts to increase customers, comply with the Form Based Code and as a result, improve the economy of South Padre Island. The Façade Improvement Program is a partnership between the local business and the EDC. If more funds are needed, the local business and the EDC can enter into a low interest loan agreement or partner with a local community bank for a low interest loan.

GETTING STARTED

Applicants should confirm the amount of grant funds that are available by contacting the South Padre Island Economic Development Corporation. Read the guidelines thoroughly and obtain the application from either the South Padre Island Economic Development Corporation (www.southpadreislandedc.com) or the City of South Padre Island (www.myspi.org) websites.

ELIGIBILITY

This program covers rehabilitation of building facades visible to the street, including storefronts, windows, doors, cornices, gutters and downspouts, decorative exterior lighting, canopies and awnings, painting and masonry cleaning, or repairs, and accessibility improvements. Permit and design review fees can be waived through the program.

The following repairs are allowed as long as they are part of work which directly affects the façade: landscaping, fences, seal coating and re-stripping of parking lots, bike racks, signs and graphics, and interior window display lighting.

Ineligible work: Roofs, structural foundations, billboards, security systems, non-permanent fixtures, interior window coverings, vinyl awnings, personal property and equipment, security bars, chain link, razor/barbed wire fencing, sidewalks and paving.

Eligible participants include both commercial property owners and business lessees with written authorization of the property owner, as well as locally owned franchises.

DESIGN CRITERIA

Schematic drawings are adequate for the grant application process. It is not necessary to have detailed plans until the construction phase. The South Padre Island Economic Development Corporation reserves the right to make design recommendations.

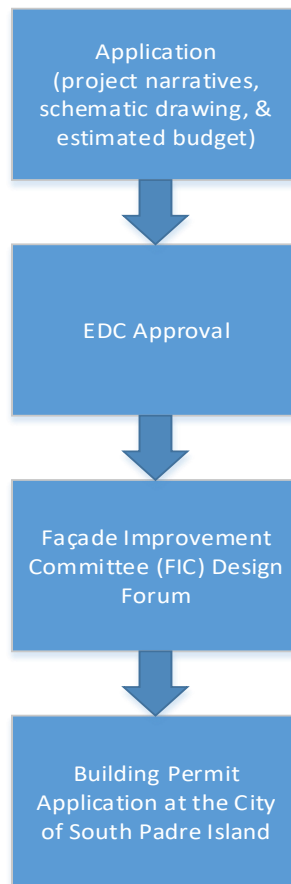
Architectural design must comply with the City of South Padre Island's current Form Based Code requirements.

THE FAÇADE IMPROVEMENT COMMITTEE (FIC)

The FIC shall be composed of the City's Development Services Director, EDC Executive Director, one EDC Board Member, and one City Council Planning Advocate.

THE APPLICATION PROCESS

The grant application must be signed by the property owner. If a tenant is the applicant, they are also required to sign. The grant application with estimated budget, schematic drawings and project narratives shall be submitted to the South Padre Island Economic Development Corporation, and the FIC shall review the application to determine if it is acceptable. The FIC will also hold a design workshop and invite the applicant to the discussion. After the discussion, the FIC will make a recommendation to the EDC Board of Directors. The EDC Board of Directors will review the estimated budget and determine the amount of the grant that will be provided to the applicant. The amount of the grant shall be up to 50% of the estimated budget. If accepted by the Board of Directors, the FIC will work with the applicant in revising/ formulating design concepts and solutions at their design workshop. If a design is finalized, the business must apply for a building permit from the City of South Padre Island. Permit fees may be waived.



The steps in the flowchart above can run concurrently. The South Padre Island Economic Development Corporation Board of Directors reserves the right to turn down grant requests for any property, for any reason, at its own discretion. The grant application must be approved by the EDC Board and a Letter of Commitment issued BEFORE the work begins. Any changes to the project after approval may jeopardize funding.

APPROVALS

The South Padre Island Economic Development Corporation has the sole authority to determine eligibility of proposed work and confirmation of completed work. Certain work may be required or precluded as a condition of funding. Participants will be responsible for obtaining necessary

regulatory permits and approvals, including City of South Padre Island building permits. All work must comply with city, state and federal regulations.

Matching grants are paid upon completion of pre-approved, applicant-paid work. Under no circumstance will grant funds be disbursed for work completed before a Commitment Letter is provided. Funds are limited; grants are awarded on a first come, first served basis. Annual funding for the program is dependent on approval from the South Padre Island Economic Development Corporation.

The South Padre Island Economic Development Corporation and the City of South Padre Island will review and approve proposed work and insure all other conditions are met prior to issuing a Commitment Letter and allocating funds to the project. The Commitment Letter will outline additional terms and conditions of the matching grant, and will serve as the legal commitment of both parties as to the scope and quality of work and the amount of funds committed.

The Façade Improvement Committee will work with the applicant in shaping the final design.

THE CONSTRUCTION PHASE

Construction must begin 60 days from approval of the grant application, unless otherwise authorized by the EDC Board of Directors.

Matching funds from the business must be spent first with receipts submitted for verification. Only items necessary for the specific construction will be reimbursed. (i.e. no tool, compressors, hammers etc.) After matching funds have been spent, an amount equal to the match amount spent and verified will be available. The grant funds will be drawn down from the EDC in weekly payments. All construction contracts will be between the applicant and contractor.

Prior to reimbursement of funds, all completed work will be reviewed by staff as to compliance with the Letter of Commitment.

If a grant is awarded and the improvement is altered within one year of construction, the grant recipient may be required to reimburse the full grant amount. All equipment or materials purchased with grant funds become a fixture of the property and shall remain attached to the property.

Projects must be completed within six months from the date of final approval, unless otherwise authorized by the EDC Board of Directors.

GENERAL CONDITIONS

The following general conditions will apply to all projects; Improvements funded by the grant will be maintained in good order for a period of at least five years; graffiti and vandalism will be dutifully repaired during this time period. Property taxes must be current, and participants may have no debts in arrears to the City when the Commitment Letter is issued. For grants over \$5,000, upon completion of improvements, the Applicant shall provide a Certificate of Property Insurance evidencing property coverage for "improvements" in an amount not less than the value of the improvements. Eligible buildings qualify for a maximum grant of \$25,000. You may apply more than once as long as the building doesn't exceed the maximum grant. The maximum grant will be available again after a five-year time frame. If a building is sold and the new owner wishes to apply for the grant, the five-year time frame still applies. The five-year time frame begins at the date the improvements are completed. The Applicant must complete, sign and submit a W-9 in order for disbursement of funds. All projects will display signage indicating South Padre Island Economic Development Corporation Façade Improvement Grant Program during the improvement work. Building must be at least five years old.