



CITY OF STOCKTON

FACADE IMPROVEMENT FORGIVABLE LOAN APPLICATION

Thank you for your interest in the City of Stockton's Commercial Facade Improvement Forgivable Loan Program. Outlined are some important facts regarding the program. Please read carefully.

1. The grant is packaged as a forgivable loan for **up to \$20,000** for every 50 lineal feet of building frontage for a maximum of \$100,000 at 10% interest for 5 years. The annual debt service is forgiven if the property is kept free of graffiti and other blight. The first \$10,000 of grant funds is available regardless of additional owner funds. The second \$10,000 of grant funds is available on a dollar-for-dollar matching basis only. There is a **\$525** application fee (*as of July 1, 2015*), made payable to the City of Stockton. **You must be the property owner to apply and a lien will be placed upon the property.**
2. Facade loans are available for **commercial and/or nonprofit properties** located in the West End (Downtown Stockton), Midtown, North Stockton, and South Stockton Redevelopment Project Areas.
3. Projects must conform to the City's **Design Guidelines** and a professional architect must be involved in the facade design. A pre-design meeting is required for all applicants and must be attended by both the property owner and architect. All projects must be approved by the City's Design Review Committee regardless of whether or not a permit is required for the project. A design review application accompanied by a **\$1,135** application fee must be submitted to the Planning Division, along with color elevations and a detailed project description. The City will pay up to \$2,500 for architectural services upon design approval. If the property owner chooses not to proceed with the project after the City has paid the architectural fees, then the property owner will be required to reimburse the City the total amount paid. For questions regarding Design Review Guidelines, contact the Planning Division at (209) 937-8266 or visit <http://www.stocktongov.com/government/departments/econDev/eDevBusAss.html>
4. Contractors must **bid** the job according to City guidelines. **All required permits are the responsibility of the property owner.** For permit-related questions, call the Building Division at (209) 937-8562. Disadvantaged Businesses Enterprise Program (DBE) must be solicited. For a list of businesses visit www.dot.ca.gov/hq/bep and click on the button "DBE SEARCH."
5. Federal and/or local funds are used for this program. Whenever such funds are used, either in whole or in part, **Davis-Bacon and/or State prevailing wages (whichever is higher)** must be paid for all onsite labor relating to the project. Any improvements being made to the building in addition to the facade work must be completed prior to starting, or at the completion of, the facade improvement project and is at the expense of the property owner. If the work is done simultaneously, then prevailing wage must be paid on the entire project, including interior renovations. For more information, log onto: www.wdol.gov (Davis-Bacon/Federal), www.dir.ca.gov (State), or www.kureyandassociates.com (Labor Compliance Consultant – phone (209) 946-9601).
6. Loans cannot be approved for work begun prior to historical review and formal **loan approval**. **No agreement** to loan funds is made or implied by the City until the application is formally approved. Only the City Council and/or City Manager (or his designee) can formally approve the loan application.

If you have any questions regarding this loan program, please call **(209) 937-5359** or e-mail [nicole.wells @stocktongov.com](mailto:nicole.wells@stocktongov.com)

CITY OF STOCKTON

FACADE IMPROVEMENT FORGIVABLE LOAN PROCESS

Federal funds are used under the Community Development Block Grant Program (CDBG) for use in the elimination of slums and blight in designated areas of the City. This program is called the Facade Improvement Forgivable Loan Program for commercial properties. The process is as follows:

1. Completed application signed by property owner and submitted with \$525 application fee and deed of trust.
2. Preliminary project description reviewed for eligibility and discussed with applicant. City staff photographs the site.
- 3(a). Applicant chooses architect and notifies City to schedule pre-design meeting to discuss City of Stockton's Design Guidelines. All Recommendations from pre-design meeting must be incorporated into architectural rendering/scope of work before project is submitted for design review.
- 3(b). Applicant meets with architect who assists in defining scope of project and develops a rendering and detailed scope of work. This City will pay up to \$2,500 for architectural services, payable upon approval by the City's Architectural Review Committee.
- 4(a). If **non-historic** site, pictures and project description sent to State Historic Preservation Office (SHPO) for 45-day review. Architectural rendering and scope of work submitted to the City for review and approval by the Design/Architectural Review Committee.
- 4(b). If **historic** site, architectural rendering and scope of work is submitted to the City for review and approval by the Design/Architectural Review Committee. Project then goes to Cultural Heritage Board for Certificate of Appropriateness. Cultural Heritage Board meets once per month and has local oversight of historic properties. Pictures, project description and Certificate of Appropriateness then sent to SHPO for 45 day review. Upon receipt of comments from SHPO, those comments, along with the project description, are sent to the National Advisory Council for their review - another 30 to 45 day waiting period.
- 4(c). All projects must be approved by City of Stockton's Design/Architectural Review Committee regardless of building permit necessity. For Design Guidelines questions, call the Planning Division at (209) 937-8266 or visit <http://www.stocktongov.com/files/Design%20Guidelines.pdf>
5. Bids and all appropriate documentation should be submitted together for review by the City. Bids must state prevailing wages to be paid. In most cases, the low bidder will be selected.
6. Once comments are received from the appropriate historical agencies, environmental clearance is complete and, assuming that all bids have been submitted, the loan approval paperwork is routed to the City Manager (or his designee) for approval. If the loan amount is greater than \$75,000 then the project must be submitted to the Stockton City Council for approval.
7. Loan documents are drawn up and signed by the Borrower and the City. A lien is placed upon the building.
8. A pre-construction meeting is held with the property owner and all contractors and sub-contractors to discuss **U.S. Department of Housing and Urban Development (HUD) and State prevailing wage requirements**, as well as to distribute and explain the required forms and certified payroll documentation.
9. A **Notice to Proceed** is issued allowing contractors to begin work. All required permits are the responsibility of the property owner. For building permit questions, call (209) 937-8561.

10. City (or its designee) makes site visits to ensure required postings are up and to conduct field interviews with workers.
11. Invoices are paid by the City to contractors when all required documentation is received, verified, and the property owner has paid their matching funds portion of the project.
12. Property owner is required to maintain the property, keeping it free of graffiti and blight, or make payments on loan. At the end of five years from the date of project completion, the loan balance is \$0 and the lien is released.



**CITY OF STOCKTON
ECONOMIC DEVELOPMENT DEPARTMENT
425 N. EL DORADO STREET, THIRD FLOOR
STOCKTON, CALIFORNIA 95202
PHONE: (209) 937-5359**

FACADE IMPROVEMENT FORGIVABLE LOAN APPLICATION FORM

PLEASE NOTE: The information requested below will be used to process your application under the terms and conditions of the City's Commercial Facade Improvement Forgivable Loan Program. **It is important to complete the entire application; incomplete forms will be returned to the applicant.**

I. APPLICANT INFORMATION – PLEASE PRINT CLEARLY

1. Contact Name: _____
 Business/Agency: _____
 Applicant Address: _____
 City: _____ State: _____ Zip: _____
 Federal Tax ID or Social Security Number: _____
 DUNS (Data Universal Numbering System) Number: _____
(See attached DUNS Number Guide Government Vendors form on how to obtain a number. All businesses assisted with federal funds are required by HUD to provide a DUNS Number.)

2. Applicant phone number
 Day () _____ Fax () _____
 Email address: _____

3. Status of applicant (please check one):
 Property owner with vacant facility
 Property owner with tenant business
 Property owner/operator of existing business on property

4. Owner of Property is a/an (please check one):
 Individual
 Partnership (attach copy of Partnership Agreement)
 Corporation/profit (attach copy of Articles of Incorporation)
 Corporation/nonprofit (attach list of officers and directors)
 Trust (attach copy of Trust Agreement)
 Other

5. Length of ownership: _____ Date Purchased: _____

PLEASE ATTACH A COPY OF THE GRANT DEED FOR THE PROPERTY

IV. CERTIFICATIONS

1. Privacy Act Statement

The information that you are providing will be used to determine your eligibility for financial assistance to rehabilitate your property, to determine the amount of assistance, to aid in the administration of the program, and to facilitate collection of the loan should it become delinquent. This use of information is authorized under Public Law. It may be disclosed to your employer(s), your mortgagee(s), retail consumer credit grantors, and credit reporting agencies for verification of employment and financial status. It may also be disclosed to financial institutions providing supplemental rehabilitation funds, local processing agencies for monitoring and carrying out the program, GAO for audit purposes, and the Federal National Mortgage Association. It may be disclosed to local agencies, counseling agencies, credit reporting agencies, your employer, and to Federal and non-Federal governmental agencies if a violation of the law is indicated. It is voluntary on your part to furnish the information; however, failure to furnish any of the requested information may delay the processing or may result in the rejection of your application.

2. Loan to be Secured by Mortgage or Deed of Trust

I (We) understand that the loan for which I (we) am applying will be secured by a mortgage or deed of trust on the property described herein, and represent that this property will not be used for any illegal or restricted purpose.

3. Loan Repayment Qualifier

I (We) understand that this is a loan, but that the annual debt service will be forgiven if I (we) keep the building free of graffiti and blight. I understand that if I (we) do not correct problems of graffiti and blight within ten (10) working days of being notified in writing that such a problem exists, that I (we) will be responsible for monthly debt service until the problem is corrected.

4. Certification and Verification of Information

I (We) certify that all statements made in this application are true and made for the purpose of obtaining a loan. Under the penalties of perjury, I (we) certify that the information provided is true, correct, and complete. I (We) fully understand that it is a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1014. Verification may be obtained from any source named in this application. The original or a copy of this application may be retained by the lender, even if the loan is not granted.

5. Licensed Contractor & Building Permit Requirements

I (We) understand that all work on this project must be done by a contractor licensed by the State of California. The contractor must also possess a business license with the City of Stockton. I (we) further understand that all required building permits are the responsibility of the property owner. For building permit questions, call (209) 937-8561.

6. Banner/Sign

I (We) agree to post a banner or sign, provided by the City, on the building or in the window advertising the Facade Improvement program. I (We) agree to post the banner or sign during construction and for not less than four weeks after the completion of the project.

7. Architectural Services

I (we) understand that facade improvement projects must conform to the City's Design Guidelines. A professional architect must be involved in the facade design; the City will pay up to \$2,500 for such services upon design approval. A pre-design meeting is mandated for all projects. All projects must be approved by the City's Design Review Committee regardless of building permit necessity. I (we) further understand that if I (we) decide not to proceed with the facade improvement project after the City has paid the architectural fees, then I (we) will be required to reimburse the City the total amount paid for such services.

8. Contractor Requirements

A. Davis-Bacon and/or State Prevailing Wage Rates

Under federal law (Davis-Bacon Act), all contractors working on projects using federal funds "either in whole or in part" must pay either Davis-Bacon and/or State prevailing wage rates (whichever is higher) for all onsite labor. Established hourly prevailing wage rates must be paid to all employees performing work at the project site. The current Davis-Bacon prevailing wage rate determinations are available at the Reference Desk of the City of Stockton Public Library, 605 North El Dorado Street, Stockton, CA 95202 or via the U.S. Department of Labor's website at www.wdol.gov. California State Prevailing Wage Determinations may be obtained at www.dir.ca.gov. For additional information, contact the City's Labor Compliance Consultant, Kurey & Associates, at (209) 946-9601 or via www.kureyandassociates.com.

I (We) understand that all bids obtained from contractors must contain a statement that the contractor will pay prevailing wage rates and will provide the City with the necessary support documentation as required by federal and state law. I (We) understand that it is my responsibility to ensure such documentation is completed before the City will authorize payment of funds.

B. Equal Employment Opportunity (EEO)

I (We) understand that we must comply with the City's Affirmative Action guidelines for bidding this project and shall not discriminate against any contractor because of race, color, religion, sex, or national origin. The contractor shall comply with EEO provisions relative to Executive Order 11246 and related acts rules and regulations. The contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

9. Non-Discrimination Clause

I (We) understand that there shall be no discrimination against, or segregation of, any person or group of persons on account of race, color, creed, national origin, or ancestry in the sale, lease, sublease, or transfer, use, occupancy, tenure, or enjoyment of Borrower's property; nor shall borrower or any person claiming under such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sub-lessees, or vendees in Borrower's property.

SIGNATURE OF PROPERTY OWNER

DATE

PRINT NAME

SIGNATURE OF CO-OWNER

DATE

PRINT NAME