



# CITY COUNCIL STAFF REPORT

DATE: November 19, 2014 UNFINISHED BUSINESS

SUBJECT: RECEIVE THE PROGRESS REPORT ON THE SPECIAL ECONOMIC DEVELOPMENT FOCUS AREA INCENTIVE PROGRAM AND AUTHORIZE THE EXTENSION OF THE FACADE IMPROVEMENT PROGRAM FOR COMMERCIAL PROPERTY OWNERS OR TENANTS THROUGHOUT THE CITY OF PALM SPRINGS AND APPROVE \$250,000 TO FUND THE PROGRAM.

FROM: David H. Ready, City Manager

BY: Community & Economic Development

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## SUMMARY

The Special Economic Development Focus Area Incentive Program was authorized in July, 2013, for businesses located along Palm Canyon Drive and Indian Canyon Drive north of Tachevah and south of Ramon. Attached is a report on the status of the program and description of the completed projects. The additional actions would extend the Facade Improvement Program for commercial property owners and tenants located throughout the City of Palm Springs, as well as modifications to the matching dollar requirement for businesses located in the downtown construction zone area, and a budget resolution approving the appropriation of \$250,000 for the program.

## RECOMMENDATION:

1. Approve the extension of the Facade Improvement Program for commercial owners and tenants throughout the City of Palm Springs, and modify the matching grant requirements for businesses located on the east side of North Palm Canyon Drive, between Tahquitz Canyon Way and Amado Road.
2. Adopt Resolution No. \_\_\_\_\_, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING THE BUDGET FOR THE 2014-15 FISCAL YEAR TO PROVIDE \$250,000 FOR THE FACADE IMPROVEMENT PROGRAM".
3. Authorize the City Manager to execute all documents related to the Budget Resolution and the Facade Improvement Program.

### STAFF ANALYSIS:

The Special Economic Development Focus Area Incentive Program (the "Program") was established in July 2013, for businesses located along Palm Canyon Drive and Indian Canyon Drive north of Tachevah and south of Ramon. The Program was established for the purpose of stimulating private investment in specific areas of the City.

The Program consists of several incentives to create an inducement to redevelop vacant properties or spur stalled development projects. The program also reinstated the Facade Improvement and Interior Remodel match grant programs, which had been created in the 2008-2010 period. By March 2014 all funds had been encumbered or otherwise committed. The attached report describes each of the programs, applicant descriptions, and the status of ongoing projects.

The Business Retention Council Subcommittee (Foat/Hutcheson) met with staff on September 30, 2014 to review the status and results of the Program. The Council Subcommittee discussed the merits of the different elements of the Program and recommended to staff to request the reinstatement of the Facade Improvement Program only, and open the program to all commercial properties (owners/tenants) throughout the City. The Subcommittee felt that the past success of the Facade Program in downtown/uptown during the height of the recession was extremely helpful to a wider range of businesses and enhanced the visual experience of the area for visitors and residents. From 2008 to 2010 the Facade Improvement Program helped 122 businesses with exterior improvements


The Facade Improvement Program provides a dollar for dollar match grant up to \$5,000 for exterior improvement such as paint, awnings, parking lot improvements and landscaping. The basic criteria to qualify for the grant and the eligible uses for the funds are included in the attached application form.


Staff also recommends a modification to the match requirements for businesses located on the east side of North Palm Canyon Drive, between Tahquitz and Amado, who are most impacted by the active construction work occurring in downtown. These businesses have reported a decline in pedestrian traffic and business since the closure of the sidewalk on the west side of the street and the loss of the parking there. A modification to the Facade Program for this area is part of a larger outreach and assistance program for that block. Businesses would be able to apply for the grant without the dollar for dollar match requirement.

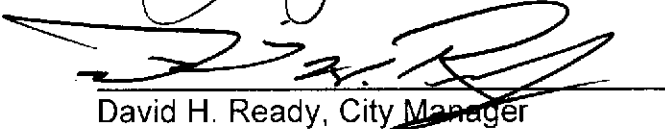
FISCAL IMPACT:

To date, the City has paid out \$528,403.54 for completed projects in the Special Economic Development Focus Area Incentive Program, with the remaining \$460,000 still to be reimbursed as projects are completed and invoices are submitted. Just the new businesses alone, (those moving into spaces that were fully vacant) have accounted for \$2.5 million in private investment, and accounted for 160 new full and part time jobs. All together, the Program has leveraged six dollars of private investment for each dollar of public funds on completed projects.

The new expanded Facade Improvement Program could help 50 or more businesses, depending on the size and scope of the individual projects. The \$250,000 would be appropriated from the City's Fund Balance, as the \$1,000,000 for the larger Program was last year.

  
\_\_\_\_\_  
John Raymond, Director

  
\_\_\_\_\_  
Cathy Van Horn, Administrator

  
\_\_\_\_\_  
David H. Ready, City Manager

Attachments:      Budget Resolution  
                          Special Economic Development Focus Incentive Report  
                          Facade Improve Program Application Guidelines  
                          Facade Grant Sample Agreement

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING THE BUDGET FOR THE 2014-15 FISCAL YEAR.

WHEREAS, Resolution No. 23560 approving the budget for the Fiscal Year 2014-15 was adopted on June 4, 2014; and

WHEREAS, the City Manager has recommended, and the City Council desires to approve, certain amendments to said budget.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE that the Director of Finance is authorized to record inter-fund cash transfers as required in accordance with this Resolution, and that Resolution No. 23560, adopting the Fiscal Year 2014-15 budget is hereby amended as follows:

SECTION 1. ADDITIONS

Fund	Activity	Account	Amount
001 General Fund	1400 Com & Economic Development	59422 Eco Dev Incentive Focus	\$250,000

Purpose: Establish funding for

SECTION 2. SOURCE

Fund	Activity	Account	Amount
001 General Fund		29031 Fund Balance	\$250,000

ADOPTED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2014.

\_\_\_\_\_  
David H. Ready, City Manager

ATTEST:

\_\_\_\_\_  
James Thompson, City Clerk

CERTIFICATION

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) ss.  
CITY OF PALM SPRINGS )

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. \_\_\_\_\_ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on \_\_\_\_\_, by the following vote:

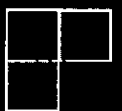
AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
James Thompson, City Clerk  
City of Palm Springs, California



# Special Economic Development Focus Area Incentive Program

Project Status Report  
November 5, 2014



## SPECIAL FOCUS AREA INCENTIVE PROGRAM

During the past several years and since the dissolution of the former Redevelopment Agency by the State in 2011, the City has created several incentive programs that have benefited downtown and uptown businesses. The Special Economic Development Focus Area Incentive Program was established July 3, 2013 and has helped businesses along the Palm Canyon and Indian Canyon Drive corridor, north of Tachevah and south of Ramon.

Council approved the program on July 3, 2013 and approved the \$1,000,000 funding allocation on September 4, 2013. The Program is a collection of several City incentives to create an inducement to redevelop vacant properties or spur stalled development projects in the area. The four types of investments that the City approved include: (a) assisting stalled vacant land projects; (b) renovating and repositioning major vacancies as catalyst projects; (c) expanding the Hotel Incentive Program for small, dilapidated hotels; and (d) extending the Facade and Interior remodel programs for the area. The following report breaks down the progress in three of the four investment programs. (The Hotel Incentive Program is described in a separate report).

### PROGRAM SUMMARY

#### Facade Improvement Grant:

The Facade Improvement Grant is the smallest and simplest of the programs, with a matching grant up to \$5,000 for exterior improvements. Eligible uses of funds include: exterior sign repair or replacement; awnings, canopies, or sunshades; painting or exterior surface treatment; asphalt repair, replacement or paving not in public-right-of-way; repair or replacement of decorative or security fencing, plate glass windows, and lighting; and installation or replacement of outdoor landscaping and fountains.

Total Applicants	Projects Completed	Projects Under Construction	Total Project Cost (Private) Exterior Only	Total Grant Requests (City)	Applicant Investment
13	9	4	\$173,671	\$55,636	\$118,035

#### Interior Remodel Grant:

The Interior Remodel Grant is designed to encourage the improvement and investment in retail/restaurant properties that contribute sales tax generator and to the revitalization of the City. The Program features a matching grant up to \$25,000 to assist in the cost of interior improvement(s) made by a property owner or tenant. Eligible uses include: interior painting or wall covering; window treatments; floor covering, lighting systems, ceiling tiles, permanent display cases or fixtures, partition walls; and interior electrical to dedicated space.

Total Applicants	Projects Completed	Projects Under Construction	Total Project Cost (Private) Interior Only	Total Grant Requests (City)	Applicant Investment
9	4	5	\$667,220	\$222,027	\$445,193

**Major Need-Based Catalyst Vacancy Incentive and Stalled Vacant Land Program:**

This Program represents a significant commitment by the City to help mitigate larger, long-term vacancies in the Incentive Program Areas in an effort to create a catalyst effect for additional development in the areas. The Program consists of specific requirements based on square footage or acreage of vacant land, approved renovation plans, Planned Development District and/or Tentative Parcel Map, and pro forma analysis and review by the City. The threshold for investment in the project to qualify for this assistance is \$1,000,000, excluding the cost of purchasing the land or building, or leasing the property. The Applicant must also show that the project has a feasibility "gap", or the difference between the proposed investment necessary to make the project work and the amount of the investment that could be reasonably supported by an equity investment at a standard rate on investment. Additionally, the Applicant must demonstrate that there are extraordinary costs associated with the development, such as complying with updated building and fire codes, ADA requirements, including the discovery of previous "bootlegged" improvements.

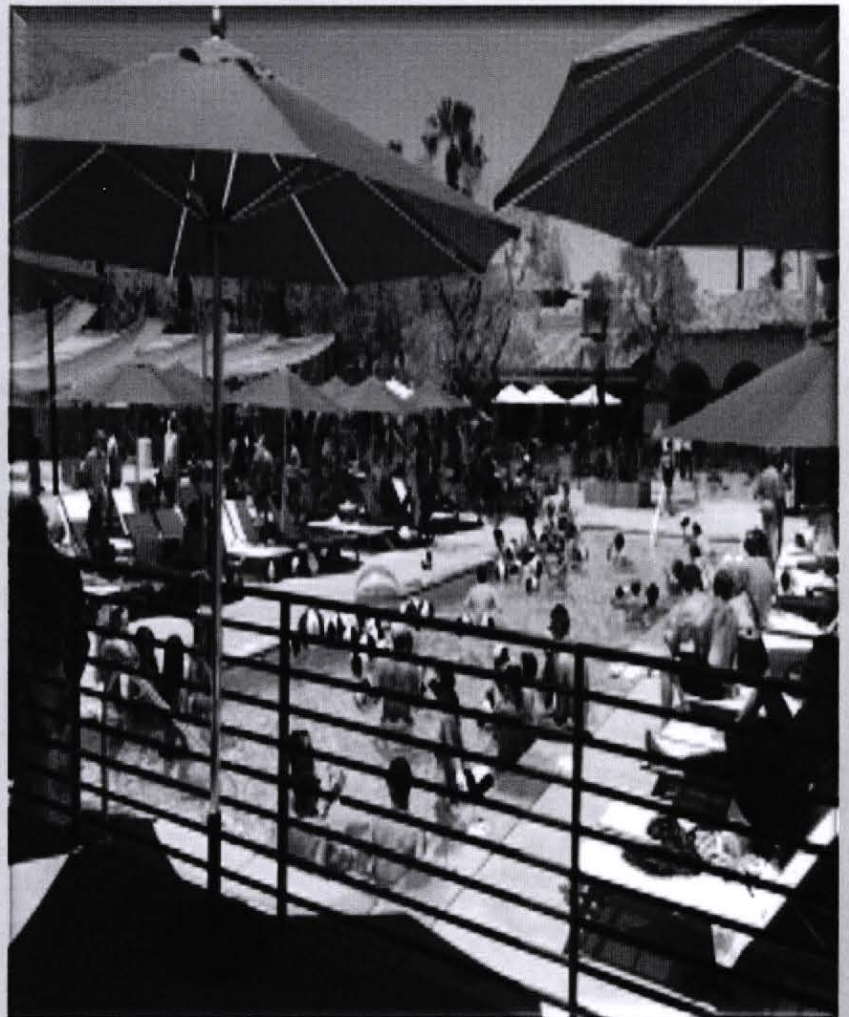
The maximum dollars per building square footage committed by the City is \$30 per square foot and reserved for high potential dollars per square foot projects – meaning major restaurant or clubs to produce significant revenue for the City through sales and property taxes and other revenue. The base maximum of \$10 per square foot is reserved for general retail. One criterion to distinguish the types of spaces for one from another is whether Department of Health reviews are necessary, and whether there was sewer connect fees charged to the project. The maximum City match grant is not to exceed \$250,000 per project.

Total Applicants	Projects Completed	Projects Under Construction	Total Project Cost (Private)	Total Grant Requests (City)	Applicant Investment
4	2	2	\$5,500,000.00	\$710,740	\$4,789,260

Note: The Total Project Costs (Private) for each program represents only the items and cost qualified under the specific grant incentive. Actual costs are higher (in most cases), but is not counted if the item did not qualify for the reimbursement.



## Major Projects Completed 2013-14



### **Hacienda Cantina 1555 S. Palm Canyon Drive**

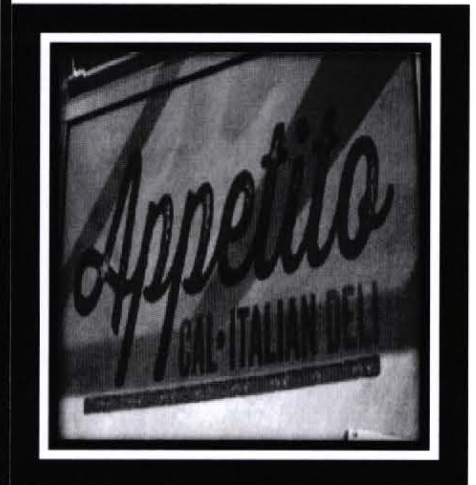
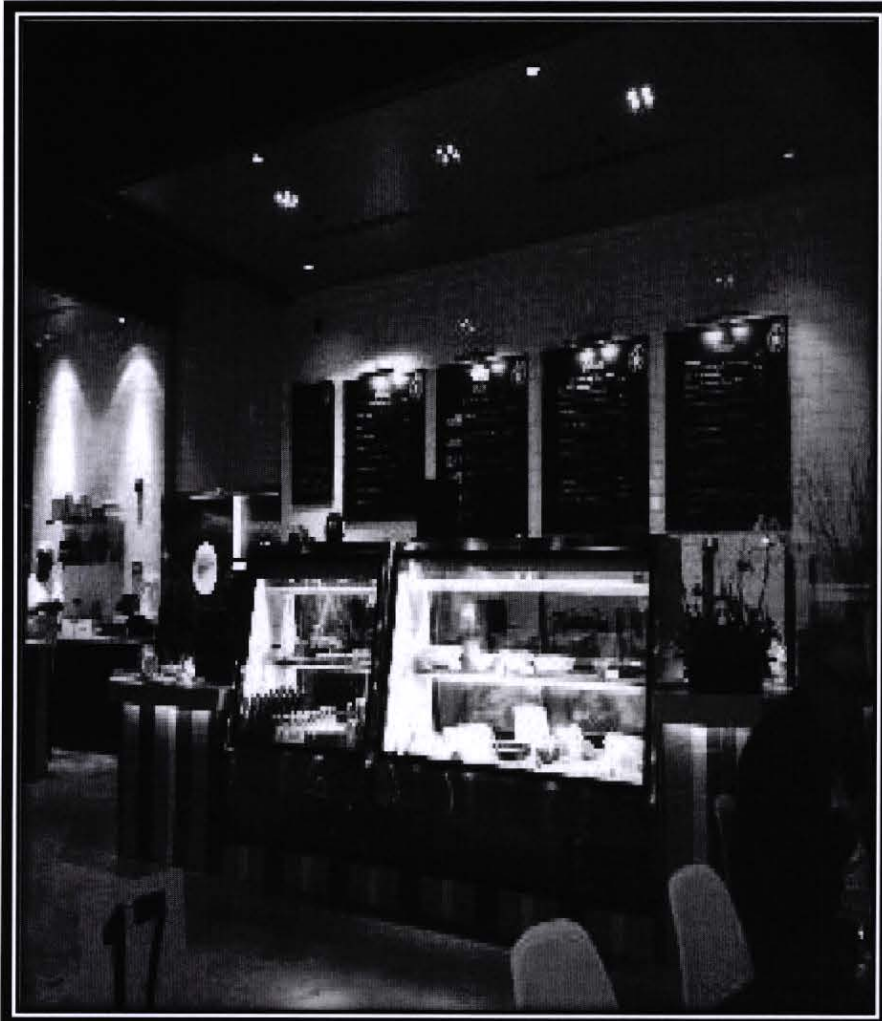
Repurpose existing vacant 8,500 square foot former restaurant to include new restaurant and pool with cabanas.

Scope of Work includes: Demo and rebuild site - curbs, gutters, landscaping, parking lot repair; relocate trees; build new pool and deck, including fountains, palapa, cabanas and bathrooms; utility work - replace new main SCE line; repair, upgrade and install interior and exterior plumbing including, gas, sewer and water tie-ins; exterior and interior work includes, AV and sound systems, painting, drywall, tile flooring, construct booths and banquettes; metal work, and install furniture, fixtures and equipment inside and outside.

\$1,500,000 investment \$250,000 grant

## Major Projects Completed 2013-14

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**Appetito Palm Springs  
1700 S. Palm Canyon Drive**

Build out vacant 4,858 square feet commercial space for a California/Italian Deli.

Scope of Work includes: Framing & Drywall; doors and locks; glazing work inside and outdoor patio seating areas; electrical for equipment, lighting, outlets; plumbing for sinks, restrooms, equipment, floor drains, water heater; concrete saw cut and repair; kitchen hood system with blower and duct; fire protection system; network, phone and sound system; walk in cooler and beer cooler, wood work - counters, cabinets, display shelves; and indoor and outdoor furniture, fixtures and equipment.

\$1,000,000 investment; \$145,740 grant



## Interior Remodel Completed Projects 2013-14



### **Go Deli Market**

611 S Palm Canyon Drive

Scope of Work: Gutting the old Revivals space and build out new market and deli, including floor covering, electrical wiring, partitions, ceiling, permanent displays, and painting all interior spaces.

Total qualified project expenditure:  
\$172,638.48/Grant amount: \$25,000.00



### **Bernie's Lounge & Supper Club**

292 E. Palm Canyon Drive

Scope of work: Remove wallpaper, refinish walls, new ceiling tiles, new carpet, new installed light fixtures, and booths.

Total qualified project expenditure:  
\$60,338.28 /Grant amount: \$25,000.00



### **Miro's**

1555 . Palm Canyon Drive

Scope of work: Refrigeration equipment, painting throughout dining area and bar, new lighting in bar and dining room, new ceiling fans in bar and dining areas, new wine cellar & cooling, and new French doors leading to new outside dining area.

Total qualified project expenditure:  
\$47,916.57 /Grant amount: \$23,958.28

## Interior Remodel Completed Projects 2013-14

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### **The New York Restaurant Company**

1260 S. Palm Canyon Drive

Scope of work: New carpet in main and lower dining areas, glass partition in bar area, lighting fixtures, window treatment, paint all interior space, drop drape between bar and dining room acoustical ceiling, sound system, pin lights, restaurant and bar equipment, upright freezer and kitchen grill.

Total qualified project expenditure:  
\$44,054.74/Grant amount: \$22,027.37

## INTERIOR REMODEL - COMPLETED PROJECTS



### **The New York Restaurant Company - 1260 S. Palm Canyon Drive**

Scope of work: New carpet in main and lower dining areas, glass partition in bar area, lighting fixtures, window treatment, paint all interior space, drop drape between bar and dining room acoustical ceiling, sound system, pin lights, restaurant and bar equipment, upright freezer and kitchen grill. Total qualified project expenditure: \$44,054.74/Grant amount: \$22,027.37



### **Ernest Coffee - 1101 N. Palm Canyon Drive (140 Via Lola)**

Scope of work: Combining and renovating two spaces for coffee shop and Tiki Bar, including electrical, plumbing, structural additions, interior wall finishes, flooring and ceiling improvements. Total qualified project expenditure: \$84,914.21/Grant amount: \$25,000.00



### **Go Deli Market - 611 S. Palm Canyon Drive**

Scope of work: Gutting the old Revivals space and build out new market and deli, including floor covering, electrical wiring, partitions, ceiling, permanent displays, and painting all interior spaces. Total qualified project expenditure: \$172,638.48/Grant amount: \$25,000.00



### **Bernie's Lounge & Supper Club - 292 E. Palm Canyon Drive**

Scope of work: Remove wallpaper, refinish walls, new ceiling tiles, new carpet, new installed light fixtures, and booths. Total qualified project expenditure: \$60,338.28 /Grant amount: \$25,000.00



## Facade Improvement Program 2013-14



### **Bernie's Lounge & Copper Club**

292 E. Palm Canyon Drive

Scope of Work: New signage, new awning and exterior paint

Total qualified project expenditure: \$11,554.00 /Grant amount: \$5,000.



### **Go Deli Market**

611 S. Palm Canyon Drive

Scope of Work:

Total qualified project expenditure:



### **Ernest Coffee**

1101 N. Palm Canyon Drive

Scope of Work: New signage, exterior patio improvements

Total qualified project expenditure: \$13,143.42/Grant amount: \$5,000.00



### **Pete's Hideaway**

665 S. Palm Canyon Drive

Scope of Work: New Signage and paint decorative fencing

Total qualified project expenditure: \$6,237.76/Grant amount: \$3,118.88

## Facade Improvement Program 2013-14



### **Office Building**

1000 S Palm Canyon Drive

Scope of Work: Exterior re paint

Total qualified project expenditure: \$7,500.00/Grant amount: \$3,750.00



### **Mama Ola's Soul Food**

898 Gateway Drive

Scope of Work: Exterior repaint, landscape clean up, tree trimming, replace windows

Total qualified project expenditure: \$11,387.00/Grant amount: \$5,000.00



### **Miro's**

1555 S Palm Canyon Drive

Scope of Work: Exterior finish new French doors, landscaping improvements

Total qualified project expenditure: \$11,036.44/Grant amount: \$5,000.00



### **The Shops at Thirteen Forty Five**

1345 N Palm Canyon Drive

Scope of Work: Remove some grass and replace with desert landscaping, new signage

Total qualified project expenditure: \$12,777.59/Grant amount: \$5,000.00

	Date	Applicant Name	Business Name	Business Address	Scope of Work	Total Project Cost	Contribution by Applicant	Grant Request	Project Status	Date closed
1	10/23/2013	Janet Reid	Office building	1000 S Palm Canyon	Repaint exterior	\$7,500.00	\$3,750.00	\$3,750.00	Completed	11/25/2013
2	12/17/2013	Neil Castren	The New York Company Restaurant	1260 S Palm Canyon	New signage and window shading	\$4,735.30	\$2,367.65	\$2,367.65	Completed	11/27/2014
3	12/16/2013	Pete Penta	Pete's Hideaway	665 S Palm Canyon	Sign, painting, awning	\$6,237.76	\$3,118.88	\$3,118.88	Completed	1/8/2014
4	12/10/2013	Mirsad Terzic	Miro's	1555 S Palm Canyon	Expanded outdoor dining area; landscaping; and glass work.	\$11,036.44	\$6,036.44	\$5,000.00	Completed	9/25/2014
5	10/10/2013	Costa Nichols	Go Deli Market	611 S Palm Canyon	Window replacement; painting, sign	\$6,849.28	\$3,424.64	\$3,424.64	Completed	5/14/2014
6	10/24/2013	Geoff McIntosh	Bernie's Lounge & Supper Club	292 E Palm Canyon	Paint, awning, lighting	\$11,554.00	\$6,554.00	\$5,000.00	Completed	6/5/2014
7	1/2/2014	Reginald Hall	Mama ola's Soul Food	898 Gateway Drive	Paint, plaster, tile and doors/windows	\$11,387.00	\$6,387.00	\$5,000.00	Completed	6/12/2014
8	2/3/2014	Terra & Marco	TBD - New Restaurant Concept	S. Palm Canyon Drive	Exterior repaint, new signage, improve landscaping.	\$10,000.00	\$5,000.00	\$5,000.00	9-17-14 Waiting to finalize lease, contractor review to submit application and plans to building and planning	
9	3/11/2014	Jaime Kowal	Ernest Coffee (Lola Coffee)	1105 N Palm Canyon	Signage, exterior patio improvements	\$13,143.42	\$8,143.42	\$5,000.00	Completed	6/19/2014
10	4/3/2014	Stephen Wilson	Thirteen Forty Five Palm Canyon	1345 N Palm Canyon	Landscaping upgrades/exterior sign	\$12,777.59	\$7,777.59	\$5,000.00	Completed	10/23/2014
11	2/7/2014	Steve Huffman	Deepwell Apartments	1680 E Palm Canyon	Exterior paint, signage and landscaping	\$50,000.00	\$45,000.00	\$5,000.00	10-23-14 Painting to start Nov. 4, done by end of month.	
12	4/15/2014	Raymond Baddour	Baddour Trust of 1988	1401 N Palm Canyon #200	Repaint exterior	\$5,950.00	\$2,975.00	\$2,975.00	10/23/14-Painting to start Nov 3, done by Nov 18.	
13	4/20/2014	Stephen Wooster	Drinks	2080 N Palm Canyon	Signage, exterior lighting, doors & gates, repair, paint exterior	\$22,500.00	\$17,500.00	\$5,000.00	10/23/14 Painting has started, expects to complete by Nov 15.	
<b>SUBTOTAL OF FACADE GRANT REQUESTS</b>						<b>\$173,670.79</b>	<b>\$118,034.62</b>	<b>\$55,636.17</b>		
	Date	Applicant Name	Business Name	Business Address	Scope of Work	Total Project Cost	Contribution by Applicant	Grant Request	Project Status	Date closed
1	10/23/2013	Geoff McIntosh	Bernie's Lounge & Supper Club	292 E Palm Canyon	Wallpaper, refinish walls, new ceiling tiles, new carpet	\$60,338.28	\$35,338.28	\$25,000.00	Completed	6/5/2014
2	12/10/2013	Costa Nichols	Go Deli Market	611 S Palm Canyon	Plumbing, wiring, flooring, partitions	\$172,638.48	\$147,638.48	\$25,000.00	Completed	5/19/2014
3	12/10/2013	Mirsad Terzic	Miro's	1555 S Palm Canyon	Painting, lighting, security cameras, refrigeration, gas appliances	\$57,000.00	\$32,000.00	\$25,000.00	10/23/14 nearly 95% completed, expects to finish painting by mid-November.	
4	12/30/2013	Neil Castren	The New York Co Restaurant	1260 S Palm Canyon	Kitchen equipment, carpet, patio resurfacing, furniture, lighting,	\$44,054.74	\$22,027.37	\$22,027.37	Completed	5/22/2014
5	1/6/2014	Reginald Hall	Mama Ola's Soul Food	410 San Rafael	Paint, plaster, tile repairs, windows	\$51,480.00	\$26,480.00	\$25,000.00	10/27/14 Health Dept. inspection on Thursday, gas turned on Friday. Opening the following week	
6	2/3/2014	Terra & Marco	TBD - New Restaurant Concept	S. Palm Canyon Drive	Remodel interior, demo existing, replace floors, walls covering, paint, lighting, electrical, kitchen equipment,	\$50,000.00	\$25,000.00	\$25,000.00	9-17-14 Waiting to finalize lease, contractor review to submit application and plans to building and planning	



7	2/25/2014	Daniel Doiran	78 Degrees at the D	2249 N Palm Canyon	Drywall, painting, flooring, tile, equipment	\$85,274.97	\$60,274.97	\$25,000.00	10/25/14 - restaurant about 85% done. Waiting for bank loan to finish project.	
8	3/11/2014	Jaime Kowal	Ernest Coffee (Lola Coffee)	1101 N Palm Canyon	Drywall, paint, flooring, ceiling tiles, electrical	\$84,914.21	\$59,914.21	\$25,000.00	Completed	6/25/2014
9	5/14/2014	Steven Wooster	Former Dinks Restaurant	2080 N Palm Canyon	Replace/new flooring, new stages, lighting, painting, window treatments, ceiling fans, screens and surround sound system	\$61,519.50	\$36,519.50	\$25,000.00	10/23/14 - nearly completed with interior upgrades, expect to be completed by December 1. Needs new CUP	
<b>SUBTOTAL OF REMODEL GRANT REQUESTS</b>						<b>\$667,220.18</b>	<b>\$445,192.81</b>	<b>\$222,027.37</b>		
<b>MAJOR NEEDS GRANT REQUESTS</b>										
	<b>Date</b>	<b>Applicant Name</b>	<b>Business Name</b>	<b>Business Address</b>	<b>Scope of Work</b>	<b>Total Project Cost</b>	<b>Contribution by Applicant</b>	<b>Grant Request</b>	<b>Project Status</b>	<b>Date closed</b>
1	10/10/2013	Chris Pardo	Arrive Restaurant Complex	N. Palm Canyon	2 restaurant renovations and 1 new restaurant	\$2,000,000.00	\$1,775,000.00	\$225,000.00	4/2/14 Approved by Council	
2	11/21/2013	Rich Meaney	Hacienda Cantina	1555 S Palm Canyon	Remodel Restaurant - new palapa bar and out door pool/bath house	\$1,500,000.00	\$1,250,000.00	\$250,000.00	Closed	6/12/2014
3	12/1/2013	Lee Chandrasena	Palm Springs Motor Sports	6650 Indian Canyon	Remodel existing 9,000 s/f for sales and improve site for 3 restaurant pads	\$1,000,000.00	\$910,000.00	\$90,000.00	9-10-14 Store remodel completed; waiting for applicants financial information.	
4	1/17/2014	Patrick Service/John Shay	Appetito PS	1700 S Camino Real	New Restaurant- full build out	\$1,000,000.00	\$854,260.00	\$145,740.00	Closed	6/12/2014
<b>SUBTOTAL OF MAJOR NEEDS GRANT REQUESTS</b>						<b>\$5,500,000.00</b>	<b>\$4,789,260.00</b>	<b>\$710,740.00</b>		
<b>CUMALATIVE TOTAL FOR ALL GRANT PROGAMS</b>						<b>\$6,340,890.97</b>	<b>\$5,352,487.43</b>	<b>\$988,403.54</b>		
<b>Available Grant Fund Balance</b>								<b>\$11,596.46</b>		

# FACADE IMPROVEMENT PROGRAM

## Application

Application packet for the City of Palm Springs  
Facade Improvement Program

**Community & Economic Development  
Department  
November 6, 2014**

**Contact Information:**  
**Cathy Van Horn, Administrator**  
**760-323-8175**  
**[Cathy.Vanhorn@palmsspringsca.gov](mailto:Cathy.Vanhorn@palmsspringsca.gov)**



## FACADE IMPROVEMENT PROGRAM

As part of its Special Economic Development Focus Area Incentive Program, the City of Palm Springs has established a Facade Improvement Program designed to encourage the improvement and investment in commercial properties that contribute to the revitalization within the City of Palm Springs.

The Facade Improvement Program features a match grant **up to \$5,000** to assist in the cost of **exterior** improvements made by a property owner or tenant.

### **Eligible uses for the grant funds:**

- Exterior Signs (installation of new or repair or replacement of legally installed and mounted signs; including neon or halo lit signs);
- Awnings, canopies, or sunshades (installation of new or repair or replacement of fixed metal or fabric awnings), which could include perpendicular wall-mounted castle banners (without signage);
- Painting or exterior surface treatment (stucco, tile, stone, or brick replacement or repair);
- Asphalt paving, replacement or repair of tiles or decorative pavers (not in the public right-of-way); sidewalk or courtyard repaving (not in the public right-of-way);
- Repair or replacement of masonry walls or footings;
- Outdoor lighting (installation of new exterior lighting fixtures; repair or replacement of existing exterior lighting fixtures);
- Installation, repair or replacement of decorative or security fencing;
- Replacement of plate glass windows; re-glazing of windows or change of window mullions with the approval of architectural application by the City;
- Installation or replacement of outdoor landscaping and fountains.

### **Uses Not Eligible:**

Funds may not be used for improvements that are not permanent or mounted or affixed to the building or the sidewalk. Ineligible uses include but are not limited to:

- Vinyl letter signage (windows);
- Portable signs, such as sandwich board or A-frame signs; signs not mounted or attached to storefronts;
- Flags or banners;
- Benches and trash receptacles;
- Tables, chairs, or umbrellas.

**Eligible Applicants:**

Property owners or tenants located in leased or owned commercial properties throughout the City of Palm Springs.

A business owner (tenant) that is not the property owner must show evidence of the right to alter the property, or consent from the property owner.

**Grant Amounts:**

The maximum amount of the Facade Improvement grant is \$5,000, on a dollar-for-dollar matching basis. In order to qualify for the full \$5,000 amount, the total verified project cost must be in excess of \$10,000.

Businesses located on the east side of north Palm Canyon Drive between Tahquitz Canyon Way and Amado Road qualify for a non-dollar match grant up to \$5,000.00 Please refer to Program Administrator to register for this provision.

**Process:**

Applications are available in the Department of Community & Economic Development and on the City's website. The application will ask for a narrative description of the project scope. The applicant will hire the contractor and is responsible for obtaining design approvals.

The City will reimburse the applicant for work performed, based on submittal of evidence of work performed and paid invoices. The business must be open for consumers and free of building code violations or tax liens.

**Contact Information:**

Cathy Van Horn, Administrator  
City of Palm Springs  
Department of Community & Economic Development  
3200 E. Tahquitz Canyon Way  
Palm Springs, CA 92262

Phone: 760-323-8175

Fax: 760-322-8325

Email: [cathy.vanhorn@palmspringsca.gov](mailto:cathy.vanhorn@palmspringsca.gov)

Mailing Address: P.O. Box 2743, Palm Springs, CA 92263

**FACADE IMPROVEMENT PROGRAM  
APPLICATION ON NEXT THREE PAGES**



## FACADE IMPROVEMENT PROGRAM

### APPLICATION FORM

#### APPLICANT INFORMATION

<b>Business Name:</b>	
<b>Business Address:</b>	
<b>Applicant's Name:</b>	
<b>Address:</b>	
<b>Phone:</b>	
<b>Email:</b>	

#### PROJECT DESCRIPTION

<p><b>Description of Requested Improvements:</b></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p><b>Estimated Cost:</b> _____</p> <p><b>Is this your estimated cost, or have you obtained a bid or estimate from an architect or contractor?</b></p> <p>___ self ___ contractor ___ architect</p> <p><b>(Please provide a copy of estimate if available)</b></p>	<p>Please note that the maximum matching grant shall not exceed \$5,000. The grant increases on a dollar for dollar basis up to the \$5,000 cap. Example: if the applicant's facade improvement cost is \$10,000 the City will pay the match grant of \$5,000. If the total improvement cost is \$5,000 the applicant pays \$2,500 and the City will pay a match grant of \$2,500.</p> <p><b>Amount applying for:</b> \$ _____</p>
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APPLICATION FORM  
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### PROPERTY INFORMATION

<b>FOR OWNER OCCUPANTS</b>	<b>FOR TENANT/LESSEES</b>
<p>I hereby certify that I am the owner of my business property. The property is vested (owned) under the following name:</p> <p>Property Owner Legal Name: _____</p> <p>Contact Information: _____ _____</p> <p>Assessors Parcel Number: _____</p>	<p>I am a lessee/renter of the space for which I am applying for a Façade Improvement Grant. The owner of the property is: _____</p> <p>Contact information for the property owner: _____ _____</p> <p>Remaining years on lease term: _____</p> <p>Assessors Parcel Number: _____</p>

### PROGRAM BOUNDARIES

<p>Commercial Businesses located throughout the City of Palm Springs.</p> <p>Downtown businesses located east on north Palm Canyon Drive, between Tahquitz Canyon Way and Amado Road qualify for non-match grant provision. Contact program administrator to register.</p>
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## FACADE IMPROVEMENT PROGRAM

### APPLICATION CHECKLIST

All applicants must provide:

- Application (Completed and Signed by Applicant)
- If incorporated, evidence that applicant has authorization to apply for program
- Verification of Property Ownership, if owner (Title or Deed of Trust)
- Evidence of Tenant's Right to Make Improvements, if tenant or lessee (Signed)
- Description of Scope of Work
- Estimate or Bid, if available
- Copy of Valid Palm Springs Business License (Applicant)
- Copy of Valid Palm Springs Business License (Contractor hired to perform work)

No assistance may be provided for any contract awarded before the application is approved.

Once the application is approved by the City, the applicant must provide the following:

- If applicable, evidence of required permit approvals from the City of Palm Springs

I hereby declare that the foregoing information is true and correct to the best of my knowledge. I authorize the City of Palm Springs to verify the information to determine my eligibility and to conduct an inspection of my property. I understand that as the applicant I will hire the contractor and am responsible for obtaining design approvals. I understand that the program provides that the City will reimburse the applicant for work performed, based on submittal of evidence of work performed and paid, and that the City will not pay contractors or vendors directly.

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**Applicant Signature**

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**Date**

Mail or deliver completed application with copies of required documents to:

City of Palm Springs  
Department of Community & Economic Development  
3200 E. Tahquitz Canyon Way, Palm Springs, CA 92262

Fax 760-322-8325 or email to [cathy.vanhorn@palmspringsca.gov](mailto:cathy.vanhorn@palmspringsca.gov)  
Mail to: P.O. Box 2743, Palm Springs, CA 92263  
Any questions please call: 760-323-8175 or 760-323-8259



## PALM SPRINGS COMMUNITY & ECONOMIC DEVELOPMENT FACADE IMPROVEMENT GRANT AGREEMENT

### FACADE IMPROVEMENT AGREEMENT

THIS FACADE IMPROVEMENT AGREEMENT (the "Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_ by and between the City of Palm Springs, Community & Economic Development ("City"), and \_\_\_\_\_ ("Owner"). Collectively the City and Owner are referred to as the Parties.

### RECITALS

- A. City has established an Exterior Property Owner/Tenant Improvement Grant program for businesses in the City of Palm Springs.
- B. Owner is the owner of a real property/business (circle one) located at \_\_\_\_\_, Palm Springs, ("Property"), otherwise known as \_\_\_\_\_ (building or business).
- C. Grant Limitations. The City shall provide a Grant not to exceed \$5,000 with a match contribution from the applicant. The Grant shall be 50% of the amount of the actual approved expenditure for the improvements described in Exhibit "D", up to the \$5,000 cap.
- D. Owner has applied for a Grant in the amount of \$\_\_\_\_\_ to make exterior improvements to the Property as described in Exhibit "A: Confirmation Letter and Exhibit "B," Scope of Work.
- E. Owner has received all necessary approvals from the City's Planning, Building or Engineering Departments, which are shown in Exhibit "C", Evidence of Approval. The estimated cost of the work proposed is \$\_\_\_\_\_, as shown in Exhibit "D".
- F. The City has reviewed the application, the evidence of financial participation by Owner, the location of the Property, and the approvals, and has approved the Grant Application.

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein, City agrees to grant to Owner the amount of \$\_\_\_\_\_ and Owner agrees to undertake the approved improvements, under the following terms and conditions:



## AGREEMENT

1. **Property Ownership/Right to Undertake Work.** Owner represents that it is the Owner of the Property or holds Tenancy in the Property which entitles it to undertake exterior physical improvements to the Property.
2. **Schedule.** The Parties agree that all exterior improvements shall be completed within **90** days of the date of this Agreement.
3. **Contractor.** The Parties agree that Owner has sole responsibility for choosing and hiring the contractor, which shall be shown in Exhibit "D", Contractor/Vendor Agreements, and the acceptance of the material used and the work performed is Owner's responsibility, and the City is not a party to any agreement with the vendor or contractor and does not guarantee the quality of workmanship of the property improvements, nor have any liability whatsoever therefor. At all times hereunder, the Contractor shall have a valid City of Palm Springs Business License.
4. **Design Approval and Permits.** The Parties agree that Owner has sole responsibility for obtaining design approval and evidence of required permit approvals from the City of Palm Springs as shown in Exhibit C, and ensuring the compliance with those permits.
5. **Grant Limitations.** The maximum City matching grant shall not exceed **\$5,000.00**. The estimated cost of the work proposed is \$\_\_\_\_\_, as shown in Exhibit "D".
6. **Evidence of Completion and Open for Business.** The Parties agree that the City will release the Grant funds upon the completion of the work by the Owner or his contractor. Evidence of completion shall include but is not limited to: photographs of the finished work; a final inspection by a representative of the City of Palm Springs; and, a copy of the final invoice for the work completed and proof of payment to the contractor. The business must be open to consumers.
7. **Release of Liens.** The Parties Agree that the Owner is responsible for obtaining the release of any Mechanics Liens or other liens placed upon Owner's property by any contractor or subcontractor hired under this program.
8. **Maintenance.** Owner agrees and covenants that, after the City issues its Certificate of Completion, Owner shall be responsible for maintenance of all improvements that may exist at the Property from time to time, including without limitation buildings, parking lots, lighting, signs, and walls in first-class condition and repair, and shall keep the Property free from any accumulation of debris or waste materials. Owner shall also maintain all landscaping required pursuant to Property's approved landscaping plan, if any, in a healthy condition, including replacement of any dead or diseased plants with plants of a maturity similar to

those being replaced. Owner hereby waives any notice, public hearing, and other requirements of the public nuisance laws and ordinances of the City that would otherwise apply.

### **MISCELLANEOUS PROVISIONS**

9. **Covenant Against Discrimination.** Owner covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any person or group of persons on account of race, color, creed, religion, sex, marital status, disability, sexual orientation, national origin, or ancestry.
10. **Notice.** Any notice, demand, request, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by pre-paid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

**To City:**

City of Palm Springs  
City Manager/City Clerk  
3200 E. Tahquitz Canyon Way  
Palm Springs, California 9226

**To Owner:**

11. **Integrated Agreement.** This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement.
12. **Amendment.** This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.
13. **Severability.** In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the parties hereunder.
14. **Indemnification.** Owner/Tenant shall indemnify and hold harmless, the City of Palm Springs ("City"), the City Council, its officers, agents, employees and

contractors free and harmless from any liability whatsoever based and asserted upon any act or omission of the City for property damage, bodily injury, or death or any other element of damage of any kind or nature, relating to or in any way connected with participation in the Program.

15. **Authority.** The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement. Owner certifies that the above statements are true and accurate to the best of Owner's belief. Failure to meet any of the terms of this Agreement shall result in the forfeiture of any Grant funds from the City for this program.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

**"City"**  
**City of Palm Springs**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Administrator, Community & Economic Development

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Director, Community & Economic Development

Date: \_\_\_\_\_

By: \_\_\_\_\_  
David H. Ready, Esq., Ph.D.  
Executive Director

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Douglas C. Holland  
City Attorney

**"OWNER"**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
( )

EXHIBIT "A"  
CONFIRMATION LETTER

SEE NEXT PAGE

**EXHIBIT "B"**  
**SCOPE OF WORK**

City of Palm Springs Facade Improvement Program

"C"  
EVIDENCE OF APPROVAL  
(PLANNING, BUILDING, ENGINEERING DEPARTMENT)

SEE NEXT PAGE

City of Palm Springs Facade Improvement Program

EXHIBIT "D"  
CONTRACTOR/VENDOR AGREEMENT

SEE NEXT PAGE

City of Palm Springs Facade Improvement Program