

# Downtown Perry Upper Story Housing Pilot Program

**Program:** Downtown Perry Upper Story Housing Pilot Program

**Purpose:** To provide financial assistance to property owners for projects that support local downtown revitalization through the renovation and rehabilitation upgrade of the residential portion of mixed-use properties within the designated area.

Project funding may be utilized for:

1. major renovation of structural elements of the building, including new or replacement roofs relating to the housing project.
2. renovation and rehabilitation of underutilized upper story building areas for housing.
3. ADA compliance.
4. installation and upgrades to electrical, plumbing, and mechanical systems to bring those systems up to current building code standards.
5. the building's fire protections systems, vertical openings, and means of egress must be brought up to code.
6. upgrades to or installation of fire suppression systems.
7. the cost associated with professional services of an architect, engineer, or other design professional.

Projects ineligible for funding include but are not limited to:

1. Projects that include first floor storefront housing.
2. Projects that are located outside of the downtown district.
3. Projects that do not include a housing element.
4. Projects that either do not plan to install/upgrade to, or do not already have, a fire suppression system up to code.
4. Acquisition costs are not considered part of the project costs or eligible expenses.

**Eligible Areas:** Mixed-use properties in Perry's Downtown Cultural District.

**Program Funding:** Properties owners within the designated areas are eligible to apply for funding of a forgivable loan up to \$10,000 per residential unit on a minimum of a dollar per dollar match from other funding sources. The match cannot come from the other City programs.

Funding will be on a first come, first serve basis until initial program funds are exhausted.

**Program Mechanics:** Property owners wishing to apply for funding through the Downtown Perry Upper Story Housing Pilot Program must submit an application to the Community and Economic Development Department through the competitive round.

Staff shall review the application for completeness. Once a determination of completeness has been made by staff, the application shall be referred to the Review Committee for a recommendation.

The Review Committee shall be composed of staff from Administration and Community and Economic Development Departments, the Mayor and one member of City Council. The Review Committee will forward its recommendations to the City Council for ultimate action to approve or deny the request.

In addition, the property owner/developer will be required to enter into a development agreement with the City before any work can begin. As part of the development agreement, the property owner will agree to a minimum assessment agreement and other stipulations that may be required depending on the project.

If the project is approved for funding, the property owner/developer will be required to submit documentation of project expenses, paid invoices, and lien waivers before release of funds. Funding will be on a reimbursement basis. 50% of the funds will be disbursed upon approval of the project with the remaining 50% to be disbursed upon completion of the project and issuance of a certificate of occupancy.

The City will review income verifications prior to move-in of tenants and receive an annual report with occupancy and rents.

In event of non-compliance, the City may make no further disbursements under the grant and demand repayment from the Grantee of all or a portion of amounts previously disbursed under the grant.

**Funding:** The approval of participation in this program does not imply that any legal entitlement is granted or that any business or property owner that meets the identified requirements will be offered the grant.

The City Council at its sole discretion shall be responsible for consideration and potential approval of the grant.

All construction work shall begin within six months and completed within 24 months of signing of the Development Agreement and, either a final inspection has occurred, or a final occupancy permit has been issued before the property owner is allowed to submit documentation for a request for a final reimbursement.

Progress payments may be made upon completion of distinct phases of work, if it has been identified in the Development Agreement as permitted.

**Timeline:** The program shall run until the funds committed to the Program have been expended. At that time City Staff shall evaluate the Program for its effectiveness, and then make a recommendation to the full City Council as to whether the Program should be continued and re-funded or be allowed to sunset.