

Sealy Economic Development Corporation



Sealy Economic
Development Corporation
In cooperation with
Sealy Main Street Program

Historic District Improvement Grant Policy & Guidelines

November 24, 2020

SEALY ECONOMIC DEVELOPMENT CORPORATION
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HISTORIC DISTRICT IMPROVEMENT GRANT

POLICY & GUIDELINES

Section 1. Purpose.

The purpose of this program is to enhance the economic vitality of the Sealy Historic District by encouraging businesses to make visually appealing, or business sustainability improvements to business establishments, which would result in additional business activity, generating more sales tax, or the promotion thereof.

This grant program is sponsored by the Sealy Economic Development Corporation Board of Directors (SEDC) who may amend, adjust or eliminate the program or parts thereof at any time.

Section 2. Types of Grants.

(A) FAÇADE IMPROVEMENT:

Improvements to storefronts. The amount of funds granted will be at the Board's discretion on a matching basis.

(B) SIGN IMPROVEMENT:

New signs and renovations or removal of existing signs. The amount of funds granted will be at the Board's discretion on a matching basis.

(C) ELECTRICAL & PLUMBING IMPROVEMENTS:

Improvements to repair and/or upgrade permanent electrical and plumbing components, including sprinkler systems. The amount of funds granted will be at the Board's discretion on a matching basis.

(D) INTERIOR IMPROVEMENTS:

May be considered if the improvements are part of a project including exterior and/or façade improvements or required for business sustainability. The amount of funds granted will be at the Board's discretion on a matching basis.

(E) ADA (Americans with Disabilities Act) COMPLIANCE IMPROVEMENTS:

Improvements necessary to meet ADA Standards.

Section 3. Eligibility.

(A) Any new business planning to locate within the Sealy Historic District, or any business currently located within the Sealy Historic District, shall be eligible for grants listed in Section 2.

(B) A business is defined as an occupation, profession or trade in the purchase or sale of

goods or services in an attempt to make a profit. A non-profit is defined as a corporation or an association that conducts business for the benefit of the general public without shareholders and without a profit motive, and that qualifies for tax-exempt status. Priority will be given to businesses that generate local sales tax.

- (C) Grants are generally not awarded for work that has been started, in progress or completed but all applications will be considered.
- (D) New construction of buildings is not eligible for this program.
- (E) Business facilities and/or properties and property owners which have outstanding financial obligations to the City of Sealy are not eligible.
- (F) Business facilities and/or properties and property owners which have an ongoing lawsuit or are in any way parties to litigation against the City of Sealy or the SEDC are not eligible.
- (G) The business and/or property owner must be in good financial standing upon verification with the Secretary of State.

Section 4. Guidelines.

- (A) Proof of applicant's ownership of the subject property, or proof that the property owner has approved the application for such grant funds, shall be required.
- (B) The business owner operating within a leased facility and the property owner must apply jointly for the grant. Copies of a lease agreement and proof of ownership of the leased facility shall be required.
- (C) A business or property owner located in the Sealy Historic District may apply for one (1) or more grant types under Section 2, per location/building (address) within any Fiscal year (October 1 to September 30).
- (D) Maximum amount of funding available to any one applicant, business establishment or property owner at one physical location/building (address) shall not exceed \$15,000.00 per type of grant funds, as described in Section 2. Type of Grants, (A) Façade Improvement, (B) Sign Improvement, (C) Electrical & Plumbing Improvements, (D) Interior Improvements, or (E) ADA Compliance Improvements.
- (E) **All grants are reimbursement grants**, and will only be funded after completion of the project in accordance with project drawings and specifications previously approved by the SEDC, and after the applicant submits to the SEDC proof of paid receipts (cancelled checks, credit card receipts) for all applicable labor, materials and related expenses to the project. **The applicant has ninety (90) days from completion of work to submit required documentation for reimbursement.**
- (F) Reimbursement grants are a cash match for funds disbursed by the applicant. In-kind

contributions (work performed by the business and/or property owner) generally may not be used as any part of the applicant's match. Only cash expenditures by the applicant may be used in calculating the cost of improvements.

- (G) Applicant shall be obligated to make the improvements in accordance with the application submitted to and approved by the SEDC. Any modifications must first receive written approval of the Executive Director. Failure to obtain such written approval prior to making any such modifications could render the applicant ineligible to receive grant funding.
- (H) Applicant shall be responsible for obtaining all applicable permits related to the improvement project, and failure to do so could render the applicant ineligible to receive grant funding.
- (I) Improvements, as presented in the application, must be completed in their entirety unless otherwise approved by the SEDC. Failure to complete all stated improvements could render the applicant ineligible to receive grant funding.
- (J) Upon grant application approval, and during construction of the improvements, the SEDC shall have the right of access to inspect the work in progress.
- (K) Improvements may not commence prior to having received written approval for a grant from the SEDC.
- (L) Applicant must complete the improvement project and agree that a business establishment will be open for business and in operation, generally, within six (6) months from grant approval by the SEDC. Failure to complete the improvements and open the business establishment within the required time period could be considered in default and result in the loss of the grant funds, at the sole discretion of the SEDC Board. Extension of the six (6) months timeframe may be authorized by the SEDC Executive Director upon presentation in writing of just cause.
- (M) Applicant must agree to remain in business and to not sell or assign such business to another person or entity for a period of two (2) years from the date of completion of the approved project.
- (N) Application approval shall be with the understanding and agreement that failure to comply could be considered in default of its obligations under the grant, and could be required to reimburse the SEDC the grant money received.
- (O) Applicant must agree that, in the event of default of its obligations, the SEDC has the right to reimbursement for all attorney's fees and costs, which may be incurred as a result of any legal action required to seek reimbursement of all grant funding received by the applicant.
- (P) The applicant must certify that the applicant does not employ nor will it employ any undocumented workers, defined as an individual who, at the time of employment, are not lawfully admitted for permanent residence to the United States or, authorized

under law to be employed in that manner in the United States. The applicant must agree that if, after receiving grant funds, it is convicted of a violation under 8 U.S.C. Section 1324a(f), applicant shall repay the amount of the grant funds with interest, at the rate of 12% per annum, or the maximum allowed by law, within 120 days after the SEDC notifies the applicant of the violation. The SEDC shall have the authority to bring a civil action to recover any amounts which the applicant must repay the SEDC under this provision, and in such action may recover court costs and reasonable attorney fees.

- (Q) All applications must be submitted with a minimum of two estimates for the project.
- (R) All ADA Compliance grants approved and funded for restroom facilities require that updated restrooms are open and available for public use.

Section 5. Application and Approval.

- (A) Applications will be reviewed by a panel consisting of the SEDC Executive Director, Main Street Manager and Chairperson of the Main Street Advisory Board for eligibility to be considered by the SEDC Board of Directors.
- (B) Applications must be made on an application form provided by the SEDC, Historic District Improvement Grant Application, and must be presented complete with all required attachments, by the first day of the month, or next regular weekday, if the first falls on a weekend day. Applications that are received later, will be considered for the following month's agenda.
- (C) Applications must be approved by the SEDC Board of Directors. The grant decision of the Sealy Economic Development Corporation Board of Directors is final. Following approval by EDC Board, City Council must approve the expenditure by either a one-reading approval for an EDC expense of less than \$10,000.00, or a two-reading approval for an EDC expense of greater than \$10,000.00.
- (D) Applicant shall be notified of the SEDC's approval or disapproval of an application.
- (E) The SEDC may award grant funds to an applicant, with certain provisions, conditions, or other requirements it may, from time to time, deem necessary.

Section 6. Evaluation and Criteria Standards.

The following factors shall be considered in determining whether or not to award a grant. Grant applications should score a minimum of sixty (60) points to be considered for funding. A score of sixty (60) or more points does not guarantee funding. All funding is contingent on remaining funds availability.

The evaluation matrix is a guide to assist the SEDC in the evaluation process. The business Applicant does not need to address each criterion in the impact standard to receive the total number of allotted points. The criteria within each impact standard are examples of the types of criteria the

SEDC and/or Main Street Manager and Advisory Board may consider. In addition, the evaluation panel may write in additional points that were considered in the evaluation:

Impact & Criteria	Possible Points	Awarded Points
Visual Impact <ul style="list-style-type: none"> • Improvement in the attractiveness of the location and the level of blight or deterioration removed; • Paint color/scheme chosen are tasteful and consistent with the Sealy Historic District; • Paint chips/sign, materials/landscaping, materials, drawings, pictures, examples are submitted with application and final project reflects what was submitted and approved; • Level of improvement's impact on overall appearance of facility; • Productive life of improvements. 	40	
Economic Impact <ul style="list-style-type: none"> • Amount of additional funding expended by business; • Appropriateness of business to overall economic development in the Sealy Historic District; • Mitigation of health and safety issues; • Reuse of vacant or underutilized property. 	40	
Historical/Community Impact <ul style="list-style-type: none"> • Level of historical significance of building/area being improved; • Level of value added to the community by the business; • Level of interest/desire for business in the community; • Level of attention to historical architecture (if applicable). • Improvement meets or exceeds ADA standards relevant to the project. 	20	

Section 7. Funding.

- (A) Funding will only be provided on a reimbursement basis upon the completion of the project in accordance with Section 4 and following an on-site inspection of the improvements.
- (B) The SEDC and City shall be granted the right to inspect the improvement work in progress and upon completion.

Applicant shall provide the SEDC with notification of project completion. Such notification shall include a letter signed by the Applicant stating that all improvements have been completed in accordance with the application and/or approved modifications and that full payment has been made for all labor and materials involved in the project. Also included in such notification shall be such documents as, but not limited to, paid receipts/invoices for materials and labor, permits, inspection reports, project photographs, or any other items the SEDC may reasonably deem necessary for determining the successful completion of the project. All expenditure documentation must be submitted within ninety (90) days from project completion. Failure to submit the information within the required time period may be considered in default and result in the loss of the grant funds.

- (C) The project shall be subject to re-inspection to confirm the successful completion of the project. Failure to correct the area/areas of non-compliance within thirty (30) days of the date of the "non-compliant letter" may be cause for cancellation of the grant.

- (D) If the subject business is closed, sold, or transferred within a two (2) year period after funding approval is received, the Applicant may be required to reimburse the SEDC for 100% of the grant amount received. The SEDC will submit written notification of default to the Applicant/Owner. Payments must be paid in full within thirty (30) days after the date of written notification of default of any of the funding requirements, such payment shall be a cashier's check or money order, made payable to the SEDC.
- (E) Available funding: The SEDC has budgeted funds available for this grant program. Grants will be reviewed on a first come, first served basis. The SEDC retains sole discretion to accept or reject applications received after the available funding has been exhausted.

Section 8. Notice.

- (A) THE PROVISION OR DELIVERY OF THESE GUIDELINES AND CRITERIA TO AN INTERESTED PARTY DOES NOT CONSTITUTE AN OFFER OF AN IMPROVEMENT GRANT TO THAT PARTY.
- (B) THE ADOPTION OF THESE GUIDELINES AND CRITERIA DOES NOT LIMIT THE DISCRETION OF THE SEDC TO DECIDE WHETHER TO PROVIDE OR NOT PROVIDE A GRANT TO AN APPLICANT, WHICH ABSOLUTE RIGHT OF DISCRETION THE SEDC RESERVES UNTO ITSELF, WHETHER OR NOT SUCH DISCRETION MAY BE DEEMED ARBITRARY OR WITHOUT BASIS IN FACT.
- (C) THE ADOPTION OF THESE GUIDELINES AND CRITERIA DOES NOT CREATE ANY PROPERTY, CONTRACT, OR OTHER LEGAL RIGHTS IN ANY PERSON TO HAVE THE SEDC PROVIDE GRANT FUNDING.
- (D) THE LAWS OF THE STATE OF TEXAS SHALL GOVERN THE INTERPRETATION, VALIDITY, PERFORMANCE, AND ENFORCEMENT OF THIS GRANT PROGRAM. IF ANY PROVISION OF THIS PROGRAM SHALL BE HELD TO BE INVALID OR UNENFORCEABLE, THE VALIDITY AND ENFORCEABILITY OF THE REMAINING PROVISIONS OF THIS PROGRAM SHALL NOT BE AFFECTED.
- (E) THE SEDC, THE CITY, ITS EMPLOYEES, AND ITS AGENTS DO NOT ATTEST TO THE QUALITY, SAFETY, OR CONSTRUCTION OF A PROJECT ELIGIBLE FOR, OR RECEIVING GRANT FUNDING; THEREFORE, THE SEDC, THE CITY, ITS EMPLOYEES, AND ITS AGENTS SHALL BE HELD HARMLESS BY THE APPLICANT/APPLICANTS FOR ANY AND ALL DAMAGES ASSOCIATED WITH THE PLANNING, CONSTRUCTION, AND SUBSEQUENT EXISTENCE OF ANY PROJECT WHOSE APPLICATION HAS BEEN APPROVED, OR HAS RECEIVED ACTUAL GRANT FUNDING.