



North Sacramento Façade and Property Improvement Pilot

The North Sacramento Façade and Property Improvement Pilot (Façade Pilot) provides up to \$30,000 for eligible exterior improvements to properties located along the Marysville – Del Paso Boulevard commercial corridor.

The purpose of the Façade Pilot is to help the North Sacramento small business and real estate community recover from the negative economic impacts caused by the COVID-19 pandemic. By improving the physical appearance of corridor storefronts, the Façade Pilot aims to:

1. Stabilize existing businesses;
2. Decrease vacancies;
3. Attract more visitors; and
4. Spur new investment.

GUIDELINES

ELIGIBLE APPLICANTS

To be eligible, applicants must be the property owner of, or the business owner occupying, a building with street frontage located on either Marysville Boulevard or Del Paso Boulevard.

Additional eligibility requirements are as follows:

1. If a property owner is the applicant:
 - (a) The property owner must have owned the building as of January 1, 2022,
 - (b) The property owner must qualify as a small business as defined in [Section 35.3 of Title 31 of the Code of Federal Regulations \(CFR\)](#); and
 - (c) Meet either (1) or (2):
 - (1) The building must be located within a [U.S. Department of Housing and Urban Development \(HUD\) 2022 or 2023 Qualified Census Tract \(QCT\)](#);
or
 - (2) The property owner must attest to experiencing negative economic impacts due to the COVID-19 pandemic.
2. If a business owner is the applicant:
 - (a) The business owner must have been in operation at the building as of January 1, 2022,
 - (b) The business owner must qualify as a small business as defined in [Section 35.3 of Title 31 of the CFR](#); and
 - (c) Meet either (1) or (2):
 - (1) The building must be located within a [HUD 2022 or 2023 QCT](#); or
 - (2) The business owner must attest to experiencing negative economic impacts due to the COVID-19 pandemic.
3. In addition to the requirements in section 2 above, if a business owner who rents is the applicant:
 - (a) The business owner must obtain the property owner's written consent for the proposed improvements; and
 - (b) Meet either (1) or (2):
 - (1) The business owner must have a current lease with a minimum of three years remaining; or
 - (2) The business owner must obtain the property owner's written assurance of a lease extension for at least three years.

ELIGIBLE ACTIVITIES

Eligible activities include but are not limited to:

1. Exterior painting;
2. Restoration of original architectural features;

3. Removal of boarded windows, security bars, dilapidated signs, awnings, and other exterior clutter;
4. Installation of new façade elements including, but not limited to, signs, awnings, canopies, lighting, windows, doors, stucco, siding, tile, or stone accents;
5. Installation of permanent and irrigated landscaping;
6. Construction of new entrances;
7. Construction of new and permanent outdoor dining or gathering spaces*;
8. Construction of new block walls or non-chain link fencing (cannot be located on street frontage unless in conjunction with creating a new outdoor dining or gathering space);
9. Construction of new trash enclosures;
10. Any applicable professional service fees related to design, architectural, engineering, and construction plans (cannot exceed 15% of total grant award); and
11. Any applicable City and State permitting fees.

The City will consider other activities on a case-by-case basis. In general, the activities must permanently improve the physical appearance of the property. Additionally, the activities cannot be one of the ineligible activities listed below.

*Please note, the City is currently operating an [AI Fresco Grant Program](#) through June 30, 2023. Applicants applying for a City of Sacramento AI Fresco grant and a Façade Pilot grant cannot receive funding from both programs to pay for the same improvements.

INELIGIBLE ACTIVITIES

Ineligible activities include:

1. Interior property improvements;
2. Improvements to new buildings constructed within the last five calendar years;
3. Performing general or deferred repair or maintenance including roof repair and replacement;
4. Upgrading mechanical, plumbing, or electrical equipment;
5. Temporary or removable patio furniture, fixtures, or accessories;
6. Land clearing or tree removal costs;
7. Parking area paving, resurfacing, repairing, or restriping;
8. Chain link fencing with or without slats; and
9. Residential projects located in residential neighborhoods and non-conforming uses in commercially zoned areas.

FUNDING PARAMETERS

AMOUNT AVAILABLE

There is a total of \$2 million available.

MINIMUM AND MAXIMUM FUNDING REQUEST

The minimum funding request per application is \$5,000.

The maximum funding request per application is \$30,000.

MATCH REQUIREMENT

GRANT AWARDS OF \$5,000 OR LESS

Grant awards totaling \$5,000 or less do not require a match.

GRANT AWARDS OF MORE THAN \$5,000

Any amount more than \$5,000 requires a 50% match. For example, if an applicant receives a \$25,000 grant, the applicant is required to contribute \$10,000 ($\$25,000 - \$5,000 = \$20,000 \times 50\%$). In this example, the applicant will realize a total of \$35,000 in improvements with a \$10,000 investment.

PAYMENT DISBURSEMENT METHOD

The City will disburse progress payments based on the following milestones:

1. 15% disbursement of total grant award upon sharing contractor agreement(s) for design if applicable;
2. 25% disbursement of total grant award upon obtaining City planning and building approval if applicable;
3. 25% disbursement of total grant award upon sharing contractor agreement(s) for construction if applicable; and
4. 35% disbursement of total grant award upon construction completion and City closeout approval.

If the progress payment disbursement milestones above are not applicable, the City will consider alternative milestones on a case-by-case basis.

Additionally, for grant awards over \$5,000, the applicant must demonstrate some contribution towards the 50% match requirement in order to receive each progress payment.

OTHER REQUIREMENTS

Other requirements are as follows:

1. Must comply with all applicable local, state, and federal codes and design standards;
2. Must comply with all applicable local, state, and federal prevailing wage requirements;
3. Must execute a grant agreement with the City of Sacramento prior to incurring any reimbursable costs;
4. Must possess an active City of Sacramento Business Operations Tax license at the time of grant agreement execution;

5. Must not have any pending code enforcement violations or must demonstrate a plan to address code violations at the time of grant agreement execution;
6. Must be a permitted or conditionally permitted use;
7. Must comply with the City of Sacramento's Commercial General Liability, Automobile Liability; Workers' Compensation, and Professional Liability insurance requirements;
8. Must receive approval of the Planning Division, receive a Building Permit, pay all required fees, and comply with any other City standards prior to commencing construction;
9. Must utilize licensed and properly insured contractors to complete approved work;
10. Must maintain the improvements for at least two years after the grant is complete, which the City will enforce by recording a maintenance agreement onto the property; and
11. Must complete work within 12 months of grant agreement execution. While the City will prioritize applicants who can complete the proposed improvements within 12 months, the City will consider extensions on a case-by-case basis. The City must receive the extension request at least three months before the grant end date. The extension request must include a written explanation describing why the extension is needed.

GRANT PROCESS

Administered by the City's Office of Innovation and Economic Development, the Façade Pilot will operate with a rolling application window. The City is tentatively planning four three-month rounds with approximately \$500,000 available for each round. The City reserves the right to adjust the number of rounds and funding awarded at its sole discretion based on the applications received. Therefore, the City advises applicants to apply as soon as practicable.

The tentative schedule is as follows:

1. Round 1:
 - (a) Application window—March 15, 2023 until May 31, 2023
 - (b) Award notification window—June 1, 2023 until June 30, 2023
2. Round 2:
 - (a) Application window—July 1, 2023 until September 30, 2023
 - (b) Award notification window—October 1, 2023 until October 31, 2023
3. Round 3:
 - (a) Application window—November 1, 2023 until December 31, 2023
 - (b) Award notification window—January 1, 2024 until January 31, 2024
4. Round 4:
 - (a) Application window—February 1, 2024 until April 30, 2024
 - (b) Award notification window—May 1, 2024 until May 31, 2024

Funded by a one-time source of American Rescue Plan Act reinvestment dollars, the Façade Pilot is unlikely to have future funding rounds beyond the initial four.

Applicants owning, or doing business in, more than one building can apply for one grant per building. If a contiguous building with multiple storefronts, applicants can apply for one grant per

storefront. However, the City reserves the right to limit the number of grants awarded to any applicant at its sole discretion.

PRIORITIZATION CRITERIA

The City will prioritize funding applicants who demonstrate the following:

1. Ability to complete improvements within 12 months;
2. Quality of planned improvements and permanent impact to streetscape; and
3. Reasonableness of cost estimate.

STEP-BY-STEP OVERVIEW



STEP 1: SUBMIT AN ONLINE APPLICATION

To apply, applicants must submit an online application via the Office of Innovation and Economic Development's [Submittable platform](#).

Required components of the application include:

1. Applicant contact information;
2. Property information;
3. A written narrative describing the proposed improvements, how such improvements will benefit the Marysville – Del Paso Boulevard commercial corridor, and why the City should select the applicant for a grant award;
4. A preliminary cost estimate, including a line-item breakdown for labor, materials, design costs, and any other expenses;
5. A preliminary timeline for completion;
6. High quality “before” photographs documenting the property and the locations where the proposed improvements are to be performed;
7. Disclosure if applied for a [City of Sacramento Al Fresco grant](#); and
8. Disclosure of any ongoing code enforcement violations or legal proceedings related to the property.

Other required components based on applicant type include:

9. If a property owner is the applicant:
 - (a) Attestation to property ownership as of January 1, 2022;
 - (b) Attestation to qualifying as a small business as defined in [Section 35.3 of Title 31 of the CFR](#); and
 - (c) Verification the property is located within a [HUD 2022 or 2023 QCT](#); or
 - (d) Attestation to having experienced negative economic impacts due to the COVID-19 pandemic.
10. If a business owner is the applicant:
 - (a) Attestation to business operation at the property as of January 1, 2022;
 - (b) Attestation to qualifying as a small business as defined in [Section 35.3 of Title 31 of the CFR](#); and

- (c) Verification the property is located within a [HUD 2022 or 2023 QCT](#); or
- (d) Attestation to having experienced negative economic impacts due to the COVID-19 pandemic.

11. In addition to the requirements in section 10 above, if a business owner who rents is the applicant:

- (a) Property owner's written consent approving of proposed improvements; and
- (b) A copy of a current lease showing a minimum of three years remaining; or
- (c) Property owner's written assurance of a lease extension for at least three years.

Optional components of the application include:

- 12. If available, attach any preliminary renderings, design, or construction plans;
- 13. If known, contact information of contractors, architects, engineers, designers, or project managers to be involved; and
- 14. Demographic information.



STEP 2: ATTEND AN APPLICATION REVIEW MEETING

The City will review applications based on the prioritization criteria and at the close of each round invite the highest ranked applicants to participate in an application review meeting.

At the meeting, applicants will meet with representatives from various city departments depending on the proposed improvements. The purpose of the meeting is to review the improvements and discuss the required approval processes necessary.



STEP 3: EXECUTE A GRANT AGREEMENT

Based on the application review meeting, if all parties agree to proceed, the applicant must execute a grant agreement with the City.



STEP 4: SEEK PLANNING APPROVAL

The grantee must work with the Planning Division to obtain all applicable Planning approvals.



STEP 5: SEEK BUILDING APPROVAL

Once the grantee obtains all applicable Planning approvals, the grantee must work with the Building Division to obtain all applicable Building approvals.



STEP 6: COMPLETE IMPROVEMENTS

After receiving all required approvals, permits, and submitting copies of executed contractor agreements as applicable, the grantee may commence construction. The grantee must complete the improvements within 12 months from grant agreement execution; however, the City will consider extensions on a case-by-case basis.



STEP 7: PARTICIPATE IN CLOSEOUT PROCESS

Upon completing the improvements, the grantee must participate in a closeout process, which includes an onsite inspection.

Once deemed satisfactory, the grantee must submit supporting documentation such as itemized receipts and proof of payment to vendors and contractors as applicable. To obtain the final 35% progress payment, the supporting documentation must demonstrate:

1. Spenddown of previous progress payments (65% of grant award);
2. Compliance with match requirement (for grant awards over \$5,000, 50% of grant award minus \$5,000); and
3. Need for outstanding progress payment (35% of grant award).



STEP 8: MAINTAIN IMPROVEMENTS

The grantee must maintain improvements, at his or her own expense, for at least two years after the grant is complete. The City will enforce this provision by recording a maintenance requirement onto the property.

QUESTIONS

Please submit questions in writing by emailing Ginger Weagraff, Development Project Manager, at gweagraff@cityofsacramento.org. Staff will publish written answers at cityofsacramento.org/northsacfacade.

IN-LANGUAGE ASSISTANCE

If applicants require in-language assistance, please email Ginger Weagraff, Development Project Manager, at gweagraff@cityofsacramento.org. The City will make reasonable accommodations to provide in-language assistance as practicable.

MISCELLANEOUS

GRANT AGREEMENT TEMPLATE

[Here is a link](#) to the grant agreement template.

AMENDMENTS

The City reserves the right to revise or amend any part of this Notice of Funding Availability (NOFA) by issuing an addendum up to the due date/time for submittal. If necessary due to the revisions or amendments, the due date for applications may be postponed.

PUBLIC RECORDS

All applications and application materials are public records. All information received from an applicant, whether received in connection with a grant application or in connection with any grant funded activities performed, will be disclosed upon receipt of a request for disclosure pursuant to the California Public Records Act. The City reserves the right to use application materials as demonstration examples in future workshops.

REJECTION OF APPLICATIONS

The City of Sacramento may, at its discretion, determine not to award any grant in response to this request or to negotiate with any grantee in any manner necessary to serve the best interests of the City. No applicant shall receive any compensation for preparing any grant application.