

## 16. COMMERCIAL IMPROVEMENT PROGRAM

### OVERVIEW OF PROGRAM

#### MISSION STATEMENT

The City of Rosemead Commercial Improvement Program (Program) is designed to promote neighborhood revitalization, job creation and job retention for low- to moderate-income persons and stabilize low- and moderate-income owned businesses using U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funded grants. These goals are structured to promote the City as a positive venue for quality business, promote business expansion, and to overall enhance economic growth.

#### PROGRAM SUMMARY

The Program is designed to assist new and existing businesses through the provision of financial assistance. Financial assistance is in the form of grant of up to \$25,000 for the exterior improvement of the qualified business.

#### NATIONAL OBJECTIVE REQUIREMENT

Participants in the Program must meet one of the following Low- and Moderate-Income HUD National Objectives to qualify for a grant:

1. Low- and Moderate-Income Area Benefit (LMA)
2. Low and Clientele - Low- and Moderate-Income Business Owner (LMC-2)

#### PROGRAM LIMITATIONS

The maximum number of applications per eligible business is one every five years. For buildings with multiple tenant spaces and one tenant has applied for grant funds for exterior improvements of a building under this program for a portion of the building, the proposed work should be consistent with the historic fabric of the building. If a portion of a building has been improved with Program funds, subsequent applications for the remaining portions of the building should be consistent with the prior grant work.

#### PRIORITY OF GRANT FUNDING

The City will process applications on a first-come, first-serve basis with priority being given to restaurant and retail store businesses whose primary clientele are the residents of the Rosemead community.

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## ELIGIBILITY REQUIREMENTS

### ELIGIBLE APPLICANTS

Eligible applicants are business owner(s) located in commercially zoned property that is either the owner of the property conducting a business in the business location or a tenant that holds a valid business lease to operate a business at the business location. The business owner must obtain consent from current property owner. Individuals, partnerships, corporations, and other legal entities may apply for assistance.

### ELIGIBLE BUSINESSES

To be eligible for the Program assistance, the business must meet the following requirements:

1. Has an active City of Rosemead business license.
2. Be located on a commercial property, properly zoned.
3. Be a permitted or conditionally permitted use within the zone.
4. Be current with property taxes and have no liens with the City.
5. Have No outstanding code violations.
6. Meet all State and local building and zoning codes.
7. Has a store front that is visible to a public street.
8. Must meet one of federal National Objectives.

### INELIGIBLE BUSINESSES

Businesses that fall into any of the following categories are not eligible to apply (additional categories may apply that are not listed):

1. Any business that does not have store front that is visible from a public street.
2. Warehouse business.
3. Manufacturing business.
4. Industrial business.

## ELIGIBLE PROPERTY IMPROVEMENTS

Program assistance may only be used for exterior rehabilitation items. Such exterior improvements may include, but are not limited to:

- Creation of outdoor business activity space such as outdoor dining area
- Outdoor business equipment, as approved by the Program Manager, such as tables, chairs, outdoor heaters, etc.
- Landscape improvements visible from a public right-of-way including foliage and walkways
- Storefront restoration or renovation
- Professional cleaning or repairing of exterior surfaces
- Exterior painting of buildings visible from public right-of-way
- Stucco re-facing
- Security Film or other security improvement approved by the City
- Exterior façade treatments (stucco, brick veneer, awnings, paint removal, etc.)
- Permanent Signage
- Temporary signage when associated with a
- Signage repair or replacement
- Exterior door and window repair or replacement
- Exterior lighting to enhance building appearance and/or safety
- Mechanical equipment screening visible from public right-of-way
- Site and landscape improvements
- New construction and additions

**Note:** The City may consider additional improvements not listed as “eligible improvements” that contribute to the overall character of a commercial corridor or contribute to the visibility of the business, on a case-by- case basis.

The following improvements are ineligible under this program:

- Nonvisible mechanical equipment screening
- Interior improvements/remodeling
- Temporary, portable, or non-permanent improvements
- Property acquisition, debt refinancing, expansion of building area, or conversion of building use
- Routine maintenance and repair
- HVAC repair/improvements
- Plumbing repairs/improvements

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## PROGRAM FUNDING TERMS AND CONDITIONS

### GRANT CONDITIONS

The maximum grant amount obtainable under the Program is \$25,000, which shall be used in accordance with the provisions of a signed Program Grant Agreement between the City and the Participants in conformance with Program requirements.

### GRANT DEFAULT

Should the Participant not meet the obligations as required in the Grant Agreement, granted funds will be due to the City. The City will pursue any and all remedies allowed by regulation or law until a resolution is attained in the event of a violation of the Program Grant Agreement.

### ADDITIONAL REQUIREMENTS

Recipients must abide by the requirements detailed in the Federal Register Part II; Code of Federal Regulations Title 24, Housing and Urban Development and Title 42, Public Health, and OMB Regulations (cost principles and audits of non-profit organizations); regulations related to lead-based paint hazards, and other applicable federal and state regulations. Additional requirements, including reporting requirements, may be communicated prior to executing a grant agreement.

#### Asbestos Compliance

Per NESHAP (40 CFR Part 61), Cal OSHA Rule 1529, and South Coast AQMD Rule 1403, the Operating Agency is required to test the work area for Asbestos-Containing Materials (ACM) where necessary. If ACM is identified, then removal, disposal, and/or handling of the materials shall be conducted by a certified asbestos contractor in accordance with applicable regulations. Suspect areas include flooring, wall, ceiling, and roofing materials and can be found in either the exterior or exterior of the structure. All staff, contractors, or subcontractors must have proper training and certification to address asbestos hazards.

#### Lead-based Paint Compliance

Per 24 CFR 35, Cal OSHA Rule 1532.1, and 40 CFR Part 745, the Operating Agency is required to evaluate, complete testing for, and reduce lead-based paint hazards, when necessary, in structures proposed for rehabilitation activities. Notification of hazard(s) must be provided to owners, occupants, and workers, as necessary. Appropriate records to indicate compliance with these regulations on a property-by-property basis must be maintained. Projects subject to Part 35, Lead-Based Paint Poisoning Prevention in Certain Residential Structures, must comply with the regulation and follow procedures based on the funding amount for each project. All staff, contractors, or sub-contractors must have proper training and certification to address Lead-Based Paint hazards.

Review and clearance of proposed actions through this process must be granted prior to incurring any costs or starting any rehabilitation activities.

### **Prevailing Wage Labor Compliance**

Federal Prevailing Wage requirements of the Davis-Bacon and Related Acts (DBRA) and the Federal Labor Standards Provisions (FLSP) apply to construction projects.

## **PROGRAM PROCEDURES**

### **APPLICATION**

Applications for participation in the Program may be obtained from Rosemead City Hall (Community Development Department) or online at [www.cityofrosemead.org](http://www.cityofrosemead.org). Each application must be completed in its entirety, signed and submitted with all required documents as listed below or in the most recent application. Applications will be reviewed in the order in which they were received. The City will maintain a waiting list for all prospective participants. Incomplete applications will not be processed. An appointment is required with Program staff to submit the application.

All of the following documentation must be submitted at time of application:

- a. City of Rosemead Business Grant Application
- b. Copy of Business Owner Government Issued Identification
- c. Copy of Business Lease and Any Extensions
- d. Fictitious Business Name (filing and proof of publication), if applicable
- e. Articles of Incorporation OR Partnership Agreement, Limited Liability Company Article of Organization, if applicable
- f. Most recent business bank statements (all pages)

Participants may be required to submit additional documentation, as requested by Program staff, in instances where additional application clarification is required.

Application approval is subject to funding availability. Program staff's eligibility determination is not a commitment of funds. Funds shall only be committed upon the full execution of the Program Grant Agreement.

## APPLICATION REVIEW PROCESS

- Application Evaluation - Each application filed will be dated and processed in the order received. Program staff will review applications for completeness and verify Applicant eligibility. Program staff will advise Applicants of any deficiencies within incomplete applications, and indicate corrective measures required. Program staff shall notify all ineligible Applicants of their status by written correspondence.
- Application Evaluation and Program Staff Review - Upon completion of an application review, Program staff shall meet with each qualified Applicant to review applicable program requirements, including but limited to the bid process, contactor selection process, Davis-Bacon compliance, other grant requirements.
- Program staff shall convene and provide a determination regarding the eligibility of the Applicant to the Community Development Director, or designee.
- Estimates for Work – The participant will be required to obtain at least two bids from licensed and insured contractors that are eligible under HUD regulations (not debarred).
- The City will review estimates to determine cost reasonableness.
- The Program Participant shall select the contractor.
- Work shall not commence until a City approved until the City's Grant Agreement and City-approved construction contract is executed and a notice to proceed is issued.
- Program Participant and/or contractor will provide the City with a construction schedule.
- Pre-Construction meeting - Program Participant and contractor will meet with a City representative to discuss David-Bacon requirements and provide the contractor with all applicable forms required to document wages, etc.
- During the course of work, the City will conduct interviews with employees to confirm that the applicable wages are being paid.
- Contractor payments will be issued upon evidence work has been completed and Program Participant has approved the payment.