



SOLDOTNA
City of Soldotna, Alaska

STOREFRONT IMPROVEMENT PROGRAM GUIDELINES



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PURPOSE

The purpose of the Storefront Improvement Program (SIP) is to revitalize Soldotna's commercial areas by stimulating additional private investment in our local economy. By partnering with local business owners and lessees to share the cost of beautifying the exterior of a business, the program aims to boost traffic, increase property values, and improve the overall look and vitality of our city's commercial districts.

The program was established in 2012 to meet several goals of Envision Soldotna 2030, the City's long-range plan, including:

- Promoting development of our "downtown area" to attract both visitors and residents;
- Encouraging redevelopment of key areas, particularly along the river and major highways;
- Ensuring a healthy economy by supporting a diversity of local businesses; and
- Improving the streetscape along the Sterling and Kenai Spur Highways.

GENERAL INFORMATION

The SIP is a discretionary reimbursement grant, which can be used for exterior improvements to businesses in the City of Soldotna. The amount available for each property is 50% of the cost of eligible improvements, up to a maximum of \$7,500. Matching grants are paid upon completion of pre-approved, applicant-paid work. Under no circumstance will grant funds be disbursed for work completed before a Commitment Letter is provided and signed. Grant applications are reviewed three times per year, and the City anticipates funding anywhere from two to five projects per year. Applicants interested in participating in the program are encouraged to contact the Planning Department, as soon as possible to begin the process.

ELIGIBILITY

Eligible work: Rehabilitation of building facades that are visible to the street, including the following elements: storefronts; windows; exterior lighting; canopies and awnings; painting and masonry work; permanent landscaping; decorative, artistic or unique signs and graphics and accessibility improvements. The emphasis of the grant program is to encourage the transformation of building facades through improvements to one or more of the elements listed above. Greater weight is awarded to projects that incorporate multiple elements. The grant program is not intended to provide financial assistance for routine upkeep and maintenance (e.g., painting) or to satisfy required updates (e.g., signage resulting from change in ownership or business type, franchise requirements to change paint scheme, etc.). Applications are competitive and the highest ranking proposals will be funded first.

Ineligible work: Funds may not be used for improvements that are not permanent or mounted to the building, sidewalk, or parking lot. In addition, the following items are ineligible for funding: regular maintenance and upkeep; roofs; structural foundations; security systems; electronic messaging center signs; interior window coverings; personal property and equipment; sidewalks and paving (unless removing paving to install

permanent landscaping). In addition, funds may not be used for structures which are non-conforming to current ordinances (for example a sign which exceeds the allowable height or area), unless the funds are used to bring the structure into conformance.

Eligible participants include property owners and business lessees (with written authorization of the property owner), located in the Commercial or Limited Commercial zoning districts. Please contact the Planning Department to determine if your property is eligible.

Ineligible participants:

- Properties primarily in residential use (ex. apartments or condominiums);
- Structures not facing or visible from the right-of-way;
- Government offices and agencies (non-governmental tenants are eligible);
- New construction, less than 5 years old.

APPLICATION AND SELECTION

The first step is to submit an application form to the Planning Department. The form requires a short project description and rough cost estimate of the work you plan to do. The City will select projects that will provide the greatest public benefit to the community, as determined by a selection committee. The City of Soldotna reserves the right to prioritize projects and reject applications.

Applications received at least 7 days prior to the selection committee's meetings will be reviewed for eligibility and awards. The storefront Improvement Program grant will be advertised up to three times per year.

To select and prioritize projects, the selection committee will consider the following factors:

- Creative value of the project;
- Current condition of the building/façade;
- Code compliance issues (projects that correct code compliance issues and nonconforming structures are encouraged to apply);
- Feasibility of implementing applicant's goals within the specified budget and timeframe;
- Visibility of the proposed improvements;
- The transformative effect and number and type of specific improvements that are proposed; and
- The degree to which the project furthers the goals of Envision Soldotna 2030.

The program administrator will notify you whether your project was selected for funding. If selected, you will solicit contractor bids, and sign a 'Letter of Commitment,' as noted below.

BIDDING

The City of Soldotna requires that you obtain one bid for each type of work you are doing. The City of Soldotna encourages the use of licensed professional contractors as defined and regulated by the State of Alaska Department of Labor, however this is not

a requirement of the program. All construction contracts will be between the applicant and contractor, and it is the owner's responsibility to ensure all work is performed according to state and local regulations. Owner labor will not be reimbursed under the program. This includes the owners of the business, building and land if different.

LETTER OF COMMITMENT

The next step is to submit all contractor bids to the City for final review. The contractor bids will be considered by the City in determining the final funding amount for the project. The City will then draft up a 'Commitment Letter,' which will outline additional terms and conditions of the matching grant, and will serve as the legal commitment of both parties as to the scope and quality of work, and the amount of funds committed. The Commitment letter will also set a deadline for the project to be completed by, as agreed to by the applicant and City.

BUILD IT

After the Commitment Letter is signed by the City and applicant, proceed with construction of your project. Please retain all invoices and material receipts during the project, as you will need these later when you request reimbursement. Please also remember that only those improvements outlined in the Commitment Letter are eligible for reimbursement, so it will be your responsibility to keep sufficient records, if needed, to separate out work which you may have completed at the same time, but which was not connected to the grant.

REIMBURSEMENT OF FUNDS

Prior to reimbursement of funds, City staff will review all completed work for compliance with the Commitment Letter. The City will verify receipts and invoices, and will issue a reimbursement check to the owner for the amount indicated in the agreement, or 50% of the actual project cost (if less than the amount indicated in the agreement).

The City of Soldotna has the authority to determine eligibility of proposed work and confirmation of completed work. Certain work may be required or precluded as a condition of funding. Participants will be responsible for obtaining necessary regulatory approvals, including those of the Planning and Zoning or Building Departments when applicable. All work must comply with city, state, and federal regulations.

GENERAL CONDITIONS

The following general conditions apply to all projects:

- Improvements funded by the grant shall be maintained in good order for a period of at least five (5) years; graffiti and vandalism will be dutifully repaired by the applicant during this time period.
- Borough property and sales tax must be current, and participants shall have no debts in arrears to the City when the Commitment Letter is issued.
- Eligible properties qualify for a maximum of \$7,500. You may apply more than once as long as the building doesn't exceed the maximum grant amount in a 5-year period. If a property is sold and the new owner wishes to apply for the grant, the five-year time frame still applies. The five-year time frame begins at the date the improvements are completed.

- The applicant must complete, sign and submit a W-9 in order for disbursement of funds.

TAX INFORMATION

You are urged to consult your tax advisor concerning the taxability of grants. The City of Soldotna is not responsible for any taxes that may be imposed as a result of your receipt of this grant payment (directly or indirectly). Grants may be reported on IRS Form 1099. The City requires that you complete and return a Form W-9 (Request for Taxpayer ID Number and Certification) prior to being reimbursed.

For more information, please contact:
John Czarnezki, Director of Economic Development and Planning
(907) 714-1246 | jczarnezki@soldotna.org

The City of Soldotna reserves the right to make minor exceptions to the program guidelines. Application forms are available at Soldotna City Hall or at <http://bit.ly/SoldotnaSIPApplication>