



**STAFF REPORT**  
**2/28/2024**

**TO:** Honorable Mayor and City Council Members

**FROM:** Celina Jimenez, Director of Economic Development

**SUBJECT:** Approve a Commercial Corridor Façade Improvement Grant Program in the Amount of One-Million Dollars (\$1,000,000) from the General Fund to Beautify and Revitalize Commercial Properties Along Cesar Chavez Street Between Avenue 52 and Sixth Street

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**STAFF RECOMMENDATION:**

Staff recommends that the City Council considers approving a Commercial Corridor Façade Improvement Grant Program in the amount of one-million dollars (\$1,000,000) from the General Fund to beautify and revitalize commercial properties along Cesar Chavez Street between Avenue 52 and Sixth Street. This item was recommended for City Council consideration by the Economic Development and Planning Subcommittee at its meeting of February 8, 2024.

**BACKGROUND:**

The Commercial Façade Improvement Grant Program (“Program”) is an endeavor of the City of Coachella to leverage public funds and private investment to enhance the physical appearance and economic vitality of commercial businesses in the Downtown Pueblo Viejo Area and the segment of Cesar Chavez Street between Sixth Street and Avenue 52. The long-term objective is to upgrade the Downtown Pueblo Viejo Area on Cesar Chavez Street between Sixth Street and Avenue 52 by improving the physical appearance of the area, encouraging the retention of existing businesses, increasing property values, tenant stability, and lease rates for the properties. The program also seeks to fund improvements which create outdoor dining or gathering spaces to promote activity in the downtown.

**DISCUSSION/ANALYSIS:**

The City will provide architectural design services to approved applicants, up to a maximum of ten (10) hours, for exterior commercial building façade improvements. The City will also reimburse applicants for the services of a professional designer (for paint/signage/awnings selection) for up to five (5) hours.

Façade Improvement Grants

- Mini-Grant – This grant provides for reimbursement of up to Five Thousand dollars (\$5,000) for commercial building façade improvements with no match requirement. Projects must be completed within 12 months of grant approval or Building Permit issuance.
- Matching Grant – This grant will provide a reimbursable matching grant of eligible project costs, up to a maximum of Fifty Thousand dollars (\$50,000). The total cost of the improvement work must be more than Five Thousand dollars (\$5,000). Receipt of a matching grant requires the approved applicant to contribute a minimum of one-third of the total cost of the façade improvement costs. Projects must be completed within 18 months of Building Permit issuance.

Grant proceeds are to be used for labor and materials directly related to the façade construction. Tools may not be purchased with grant funds, but tool rental is allowable. Program funds are to be used for exterior building improvements rather than simple routine maintenance.

### Eligible Improvements

The following are examples of activities that may be eligible for reimbursement. The project is more likely to be funded if an improvement entails one or more of the activities listed below. All projects will be evaluated based on how they meet the purpose of the Program.

- Awnings and Canopies: Installation of permanent awnings and canopies.
- Exterior Walls: Repair, restore or rebuild vertical or parapet walls, including cleaning, sealing, tuckpointing, patching, painting or replacement of siding or masonry.
- Exterior Building Materials: Removal of exterior building materials on the façade that are not original or are in excess to the building.
- Exterior Doors: Repair, restore, replace, and install doors and hardware used to provide public access.
- Exterior Windows: Install, replace or repair windows, frames, sills, glazing or glass.
- Shutters: Repair, restoration, replacement or addition of exterior shutters, where they relate to exterior windows.
- Gutters and Downspouts: Install, replace or repair gutters and downspouts.
- Stairs, Sidewalks, Porches, Porticos, Railings or Colonnades: Repair, replace or install these exterior elements where they affect access to the building.
- Signs: Installation of permanent wall signs, monument signs, etc. in conjunction with a comprehensive façade improvement project.
- Outdoor Seating Areas: The installation of hardscape or permanent structures related to outdoor seating areas.
- Exterior Lighting: On the front of a building.
- Landscaping: Install and/or maintain plantings of trees, shrubs, and perennials on private property immediately adjacent to the street side of a building.
- Screening of mechanical equipment or utilities at grade or on the roof: Installation of screening, such as fencing or landscaping, which is visible from the street.
- Fencing: Decorative metal fencing that is visible from the street.
- Code Improvements: Exterior improvements required to make the building ADA compliant or to meet life, safety, building or zoning regulations.

- Dumpster enclosures

### Eligibility Criteria

- Owners and/or tenants of commercial properties in a Program Eligibility Area that meet the Small Business Administration (SBA) definition for a small business in their unique North American Industry Classification (NAICS) codes.
- Non-profit organizations, as defined by Section 501(c) of the Internal Revenue Code, will also be eligible.
- Owners and/or tenants of commercial properties in a Program Eligibility Area.
- Tenant must receive approval from property owner.
- Owner must have owned the building prior to January 1, 2021.
- Tenant must have been in business at the location prior to January 1, 2021.
- Property must currently be in compliance with all Zoning and Unified Development Code requirements or commit to complying prior to completion of the proposed project.
- Applicant and/or property owners must be current on all City property taxes.
- No City liens against applicant and/or property owner.
- Property and all proposed improvements must face and be visible from the public right-of-way.
- Ability to meet program insurance requirements.

### Ineligible Applicants

- Franchisors (local or non-local)
- Gambling/Gaming Businesses
- Sexually Oriented Businesses
- Payday & Auto Loan Providers
- Liquor Stores
- Tobacco, CBD, and Vape Stores
- Government owned and/or occupied buildings
- Any business in which a City employee or officer has a financial interest, as defined in the City's Ethics Code

### Program Eligible Areas

Commercial properties along the Cesar Chavez Street corridor between Sixth Street and Avenue 52.

### Process

- Submit an application for grant funds. Submit a completed application detailing all exterior improvements and an itemized estimate of the total project cost. Be as specific as possible. The project list may contain improvements beyond what would be funded by the grant. Projects that include conceptual architectural plans shall be considered favorably. All proposed façade projects/remodels must be approved by the Development Services Director and Economic Development Director prior to being accepted into the

program.

- Informational Meeting. Applicants will meet with representatives from Planning + Building to review the entitlement process + building permit process and to answer any questions that the businesses may have.
- City Staff will review grant applications. Staff will review the application with the business owner, discuss the scope of work, determine a timeline and review the remaining process for the grant.
- Economic Development + Planning Subcommittee will consider request and select grant awardees. Selection preference will be provided to projects which create new outdoor dining and activity spaces. City Council will authorize awards.
- Grant funds reserved. Upon approval of a grant application, including scope of work and timeline, an agreement will be signed between the applicant and City.
- Planning Approval. If planning approval is required, the applicant is responsible for submitting project plans prepared by a licensed architect through the Planning Division.
- Building Permit Approval. If a Building Permit is required, the applicant is responsible for submitting plans that meet all Code requirements through the Building Division.
- Complete Work. After receiving all required approvals and permits the applicant shall complete the improvements within twelve (12) months for Mini-Grants and eighteen (18) months for Matching Grants. The applicant shall be responsible for contacting City staff to request an extension if necessary. An extension is not guaranteed.
- Submit invoices, receipts, and proof of payment. The applicant shall save all documentation as required and submit within 30 days of project completion or Building permit final.

#### Implementation of Work

- The City of Coachella will reserve the right to cancel or modify this Program at any time prior to grant approval, without notice. Continuation of the Program is subject to sufficient funding as appropriated by the City of Coachella City Council.
- All improvements shall conform to the City of Coachella Building Codes, Zoning Ordinance, and applicable Design Guidelines. Proposed façade remodels are required to comply with the Zoning Ordinance. Project improvements commenced prior to the City's issuance of a Notice to Proceed are not eligible for this Program.
- City staff will be available to work with approved applicants to assist in the coordination of the project. City staff will carry out periodic inspections.

**FISCAL IMPACT**

This program is recommended to be funded from the General Fund in the amount of \$1,000,000.

**ALTERNATIVES**

1. Approve a Commercial Corridor Façade Improvement Grant Program in the Amount of One-Million Dollars (\$1,000,000) from the General Fund to Beautify and Revitalize Commercial Properties Along Cesar Chavez Street Between Avenue 52 and Sixth Street
2. Do not approve this program at this time.

**ATTACHMENTS:**

1. Commercial Corridor Façade Improvement Grant Program Guidelines