Provo City reserves the right to change this program and required documentation as necessary.

7/1/19

No qualified person shall be denied the benefits of, the participation in, or be subjected to discrimination under any program or activity funded by the City of Provo on the basis of race, color, national origin, sex, religion, disability or familial status.
The Downtown Redevelopment Improvement Program (DRIP) is intended to encourage growth in downtown Provo by restoring, sustaining and improving commercial properties located within the five planning districts, as outlined in the Downtown Master Plan guide, and to encourage LMI job creation and/or retention. DRIP grants are funded by the U.S. Department of Housing and Urban Development (HUD), and are subject to federal requirements.

Grant Amount

The DRIP is a matching grant offered for façade improvements in $10,000 or $25,000 increments (based on new or existing business) for each low- to moderate-income (LMI) job created/retained. Along with a new building façade the participants in this program agree to create/retain one permanent full-time position for a (LMI) person for each $10,000 or $25,000 of recoverable grant amount to a maximum of $50,000 per building. A disbursement schedule, program compliance, terms and conditions of the policies and procedures for the creation and/or retention of permanent jobs will be included in the contract. All disbursements are made at the discretion of the DRIP Program Administrator.

To be eligible for grant funding, the applicant must match every $3 of grant funds with $1 of other funds spent on eligible improvements. This match may include expenditures for exterior and/or interior improvements to the subject building made within 12 months prior to the grant application.

The grant will take the form of reimbursement to the grantee or payment of contractor invoices on behalf of the grantee.

Created Jobs Defined

If a DRIP grant is awarded, it will be based on job creation/retention for LMI persons. For purposes of being considered a created job, a job must be a new, full-time position for the person or 2 part-time positions may be created to equal one full-time position. In counting jobs, the following policies apply:

- Funding is only for new full-time positions (two part-time positions may equal one full-time position).
- Full-time is defined as a thirty-five (35) hour or greater work week over a five-day period.
- A part-time position moved to a full time position counts as a job created.
- Only permanent jobs count--temporary jobs may not be included.
All permanent jobs created must be counted even if the activity has multiple sources of funding.

Accessing these funds is contingent upon hiring full-time employees (or equivalent to) and/or retaining full-time employees who would otherwise be let go, whose household income meets HUD’s criteria of LMI persons at the time of application. In order to provide a level of privacy between employee and employer, Provo City has created an Employee Certification Form for the employee to complete. This form ensures the hired employee(s) meet HUDS definition of LMI.

Income chart
(effective July 1, 2019, adjusted annually)

<table>
<thead>
<tr>
<th>Area</th>
<th>Persons in Family</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Utah County</td>
<td></td>
</tr>
<tr>
<td>Maximum Household</td>
<td>$44,600</td>
</tr>
</tbody>
</table>

Base Number of Job Positions Required

Grantees agree that jobs created will be cumulative and will not replace any jobs existing prior to participation in the program. Provo City wishes to promote job creation; consequently, it is essential that the number of existing employees prior to application for the recoverable grant be clearly determined and established as the benchmark in identifying the total number of employees required by program regulations. Adequate documentation for employee number for the quarter ending prior to application for the program must be provided.

Job Count Start Date

Job count start date will be based on an event which occurs after the execution of the DRIP Agreement. In the case where the business is a new business, the job count start date will be the date of opening of the business. If the business is an existing business, the start date will begin on the new hires first day of work.

Eligible Façade Expenses

Grant funds may be used for the following improvements to the building exterior (street facing side of an existing building):

- masonry repair & repointing of mortar joints
- cleaning, paint removal and water-repellent treatments to exterior finishes
- installation, painting, repair or replacement of exterior finishes
- repair, replacement or preservation of original, historically significant architectural details
- installation, repair or replacement of eaves, conduit, gutters, downspouts, display windows, doors, awnings, canopies, lighting, decorative details, cornices/parapet walls
- architect/design costs
- signs
- ADA accessibility
- building permit fees

The above items are also eligible for the building or business owner’s match portion.

Ineligible Façade Expenses

The following are ineligible expenses for façade improvements, but may count toward the match portion if done less than 12 months prior to grant application:

- improvements to the interior of the building including structural, electrical, mechanical, plumbing, elevators, code compliance, and tenant finish
- landscaping, fences & gates
- roof replacement
- security systems
- air conditioning and heating upgrades

Property Qualifications

- The building must be at least 30 years old
- The building must be located in one of the five districts as outlined in the Downtown Master Plan [http://www.provo.org/home/showdocument?id=3919](http://www.provo.org/home/showdocument?id=3919)
- Project must meet HUD’s national objective of LMI Job Creation and/or Job Retention
- Must have at least a one year lease (if applicable).

Ineligible Properties

- Property owned by religious groups or places of worship
- Tax delinquent property
- Property in litigation
- Exclusively residential buildings
- Buildings that have received façade funds from the Provo City in the past 30 years.

Other Grant Program Features

- Provo City will perform HUD-required historical and environmental review of the work prior to grant approval.
- All work must be performed under the direction of a licensed contractor.
- Three bid proposals are necessary for all façade work.
Provo City will assist the grantee in preparing a work write-up to use in obtaining bid proposals.

Successful bidders shall be selected by the grantee and shall be subject to the Provo City’s approval of the grantee’s reasons for the selection. In addition to price, the grantee may consider the following and other factors in selecting the successful bid proposal:

- Conformity to specifications
- Financial ability to meet the contract
- Previous performance
- Equipment
- Experience
- Delivery promise
- Terms of payments
- Compatibility
- Contractors’ ideas on how to perform the work most cost-effectively or to improve the finished project within budget.

All contracts over $2,000 will be subject to Davis-Bacon and Related acts requiring that the prevailing federal wage be paid for all employees of the contractor(s). The Program Administrator (PA) will provide the most current wage determination to the applicant and/or contractor(s) to ensure compliance with this requirement. The PA will assist the grantee with the reporting requirements needed to fulfill the contract.

Prior to commencement of the grant-funded work, Provo City and the grantee will enter into a DRIP Agreement. This Agreement details the grant requirements, including Federal requirements, number of jobs to be created/retained, sets forth the scope of work to be performed as part of the project and the date by which the project will be completed. A copy of the DRIP Agreement form is available for review.

Prior to release of grant funds, Provo City and additional City Inspectors will inspect improvements for completeness, basic quality of workmanship and code enforcement. Construction specifications and work completed shall comply with all applicable building and occupancy codes. However, Provo City provides the grantee and property owner no warranty of the façade improvements.

Use of HUD funds for façade grants is conditioned on a commitment by the business owner to create one full-time permanent job and/or retain one full-time LMI job on the premises per $10,000 or $25,000 grant award (based on new business or existing business). Job creation/retention paper work must be completed before any funds are dispersed.

The DRIP Program Administrator will review each application once all application materials have been submitted. Applicants will be notified in writing of approval or rejection together with reasons for rejection or any conditions of approval. In addition to reviewing basic grant eligibility, the DRIP Program Administrator will review the grant application on the following points:
- Will the project foster the use of the ground-floor storefront space as retail-dining-entertainment space which encourages pedestrians to look inside through the windows and then draws them into the business?
- Will the project preserve any original architectural features which remain?
- Will the project eliminate/correct previous remodeling which has covered up original architectural features?
- Will the improvements employ new materials only in ways which don’t obscure the building’s original character (i.e., no paint over original unpainted brick, no stucco over original brick, etc.)?
- Will the project avoid methods (e.g., sandblasting, etc.) which would cause faster deterioration of the building?
- Will the project improve the entire building frontage on streets and particularly the entire front façade?
- Are the improvements proposed for grant funding likely to last well? (This considers the physical durability of the improvements, but also whether the improvements are likely to be replaced if the storefront tenant were to change.)
- Does the contractor and those working under his direction have the workmanship skill and experience needed for dealing sensitively with an old building?

**Commencement of Façade Improvements**

Improvements to be funded by DRIP may take place only after Provo City has approved the grant, the grantee has entered into the DRIP Agreement with Provo City, and the contractor or grantee has received a written Notice to Proceed from Provo City. No grants will be made for work, other than design work, under way or completed prior to execution of the DRIP Agreement by both the grantee and Provo City.

**For more information, contact Provo City at 801-852-6160 Mon.-Thurs. 7:00 a.m.-6:00 p.m., or csweeten@provo.utah.gov.**

Provo City reserves the right to amend these Guidelines at any time if it is determined necessary in order to provide more clarity, flexibility or restrictions to the Downtown Redevelopment Improvement Program.