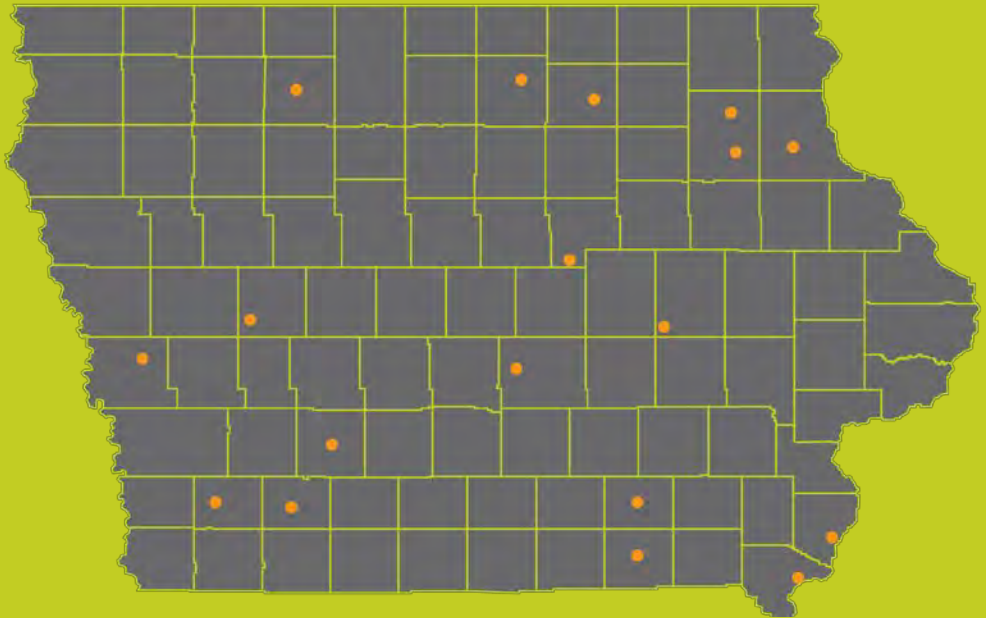


# Community Development Block Grant: Downtown Revitalization Program

**CDBG**  
Community Development Block Grant

**IOWA**  
economic development

Cities Awarded



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# Agenda

- » Downtown Revitalization Overview
- » Community Examples
- » Creating a Successful Proposal
- » CDBG Regulations Highlights
- » Environmental Review Overview
- » Grant Implementation

# OVERVIEW

# Iowa's Downtown Revitalization Program

*"Transformative projects that have long-lasting benefits for the downtown and contribute toward a comprehensive downtown revitalization effort."*

## » Support and Demonstrate:

- Innovation (project, funding partners, policies)
- Broad downtown district impact within downtown plan
- Significant impact on a significant downtown structure(s)
- Sustainable community principles (Iowa Green Streets)
- Sustainable long-term revitalization effort and strategy
- Historic Preservation
- Broad community support

# Eligible Activities

## » Façade Improvements

- Exterior work on private facades with a public easement
- Public facades, excluding City Hall and operations of local government

## » Community/Neighborhood Facilities

- Interior/Exterior work on non-profit “community or neighborhood facility”



# Program Statistics/Impacts

- 2012 – Eight (8) total awards, \$500,000 each
  - Emmetsburg
  - Conrad
  - Burlington
  - Charles City
  - Elkader
  - Manning
  - Red Oak
  - West Union
- 385 total facades over course of program (began in 2009)
- Buildings renovated across sixteen (16) cities
- Average project size approx.: \$1 million
- Approximate number of buildings per project: 23
- Anticipate funding 12 - 14 cities in 2013 (16 apps received)

# COMMUNITY EXAMPLES

# Woodbine

- » Population: 1,459
- » Project Scope: Implemented a comprehensive façade improvement project which improved 25 facades, touching nearly every property on Main (Walker) Street; was the third grant out of five that Woodbine utilized for extensive revitalization.
- » Total Project Cost: \$7.75 million
- » CDBG Grant Amount: \$500,000
- » Leverage Amount: \$7.25 million





# Woodbine

before



after



# Woodbine

after



before



signage



collaboration



# Bloomfield

- » Population: 2,648
- » Project Scope: Implement a façade improvement project around Bloomfield Square, rehabilitating 19 buildings and spurring restoration of courthouse tower along with additional rehabilitation funding opportunities
- » Total Project Cost: \$1.8 million
- » CDBG Grant Amount: \$500,000
- » Leverage Amount: \$1.3 million



# Bloomfield

before

after



# Bloomfield

before



before



before



before



after



# Lessons Learned

- » All types and sizes of communities can benefit
- » Maximum results when a part of a broader downtown revitalization initiative
  - Upper story housing
  - Streetscape
  - Marketing/business recruitment
- » Investment attracts investment
- » Improves perception of downtown, both residents and visitors
- » Intergenerational support
- » Builds local capacity, partnerships, and confidence
- » Drives economic development and job creation

# CREATING A SUCCESSFUL PROPOSAL

# Successful Proposals

- » Project Area/District
- » Partnerships and Leverage
- » Renderings
- » Cost Estimates
- » Rehabilitation Considerations



# Project Area

- » Concentrated grouping of buildings, bigger impact
- » Buildings of significance in downtown – historically, culturally, economically
- » Building facades that have public access or significant visibility in and around downtown are eligible
- » Part of a comprehensive downtown plan/policy



good example



bad example

# Partnerships and Leverage

- » Involvement from the city, county, municipal utilities, foundations, universities, colleges
- » Want to see broad community support
- » Support from major players in city show willingness and commitment to project, also demonstrates city's long term sustainable revitalization effort after project completion
- » Leverage is non-monetary commitment that partners (not property owners) can put in the project
- » Leverage can be new community buildings, streetscape improvements, low interest bank loans
- » Can become a catalyst for more revitalization in downtown

# Renderings

- » Creating renderings per building makes a strong proposal
  - Business owners know what their money is being spent on
  - Reviews can see historic, environmental, and design considerations
  - Shows readiness to proceed in timely fashion after award



# Cost Estimates

- » The biggest obstacle to date has been incorrect cost estimates
  - Causes scope of work to change, businesses to drop out and has possible ramifications of funding being changed
- » Realistic scope of work and detailed cost estimates in the pre-application stage is extremely important
  - Having tiers of cost estimates is helpful
- » Having survey of historical eligibility before starting design work is also vital so work is not over- or under-designed
- » Property owners need to know what the total cost will be to rehab their property and what their share will be
- » Realistic expectations are important for both city and property owners

# Rehabilitation Considerations

## » Historic Sensitivity

- Many of the buildings in any historic commercial downtown area will be 50 years or older
  - Any building that age or older that has not been surveyed, needs evaluation before design work starts
  - Appropriateness
  - No adverse effects – on building, district or neighboring buildings

## » Green Initiatives

- All CDBG projects follow Iowa Green Streets
- In process of updating criteria to specifically address façade master plan projects.

## » Integrate historic and green consideration into design from beginning

# Next Steps

- » Work with an experience grant administrator
- » Communicate early and often with shareholders
- » Successful proposals take time to develop- begin the process early
- » IEDA has a staff person to help with technical assistance and design work before applications are due
- » January 2014 is tentative deadline for next round of applications

# CDBG REGULATIONS HIGHLIGHTS

# Procurement Policy

- » Applies to any CDBG contracting process, except a non-profit subrecipient or Council of Government
- » To ensure that sound business judgment is utilized in all procurement transactions and that supplies, equipment, construction, and services are obtained efficiently and economically and in compliance with applicable federal laws and executive orders and to ensure that all procurement transactions will be conducted in a manner that provides full and open competition.
- » Requires:
  - Evaluation criteria for review of RFPs
  - Code of conduct for issues that may arise during and after process



# Method of Procurement - Services

## » Competitive Proposals

- generally used for selection of professional services;
- proposals from adequate number of qualified sources are solicited through a formal, written request for proposals;
- either a fixed price or cost reimbursement type of contract is awarded;
- method for technical evaluations is required;
- award is made to the responsible firm whose proposal is most advantageous, with price and other factors considered; or
- when procuring A/E services, a qualification-based procedure instead of price-based is an option:
  - Qualifications are solicited through a formal written request for qualifications process including a publicized notice

» Contracts for professional services must be based on actual cost, not a percentage.

# Contracting – Construction

- » Sealed bid process and requirements outlined in CDBG Mgmt Guide.
  - Must accept low bid, check with IEDA on any perceived justification for an exception.
- » Labor Standards
  - Davis-Bacon Act
    - Requires wages paid to employees be equal to or higher than the U.S. Department of Labor determination of the prevailing wage rates for the project type and work done
  - Copeland “Anti-Kickback” Act
    - Requires payment once a week, weekly review of payroll forms, and retaining documents for five years after work completion
  - Contract Work Hours and Safety Standards Act
    - Overtime law

# ENVIRONMENTAL REVIEW

# Environmental Review

- » National Environmental Policy Act of 1969 (NEPA) establishes national policies, goals, and procedures for protecting, restoring, and enhancing environmental quality
- » CDBG recipients follow 24 CFR Part 58
  - [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/environment/lawsandregs/regs](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/lawsandregs/regs)
- » No 'choice limiting action' may be taken until IEDA releases funds; includes:
  - Property acquisition or transfer
  - Rehabilitation
  - Conversion
  - Lease
  - Repair
  - Construction
  - Demolition

# Steps to Conducting an Environmental Review

- » Create the Environmental Review Record
- » Define the project activities
- » Determine what level of review is required
- » Initiate contacts with outside sources
- » Collect data
- » Complete applicable review format, i.e., Statutory Checklist or Environmental Assessment
- » Make environmental determination (i.e., compliance with NEPA-related laws and authorities), or finding of no significant impact, or finding of significant impact
- » Publish or disseminate public notices, when applicable
- » Submit “Request for Release of Funds and Certification” form to IEDA
- » Wait for release of funds letter from IEDA
- » Start project – commit funds

# Section 106 Process

## » Four Point Approach

### » Initiate Section 106 Review Process

- Identify projects that have the potential to affect cultural resources

### » Identification and Evaluation of Historic Properties

- Identify the Area of Potential Effects (APE) including sites within, adjacent to and directly or indirectly related to the undertaking which may be affected by the project
- Evaluate resources within the APE that are listed on or eligible for listing on the National Register of Historic Places (NRHP)

### » Assessing Effects

- Consult with the State Historic Preservation Office (SHPO), interested and consulting parties and the public

### » Resolve Adverse Effects

- Memorandum of Agreement, which outlines agreed upon measures that IEDA will take to avoid, minimize or mitigate the adverse effect resulting from the undertaking

# GRANT IMPLEMENTATION

# DTR Grant Implementation

This section is not intended to cover compliance steps with every federal regulation and IEDA requirement.

It's important to understand some unique steps and phases with the CDBG Downtown Revitalization Program implementation...

- And some updates and new approaches for 2013 DTR projects.

Let's get started!



# DTR Grant Management (post award)

- » City hires an experienced CDBG grant administrator
  - Approximately \$20,000 - \$25,000 of budget.
  - Serves as point of contact for IEDA.
  - Local oversight and information resource on regulations/ requirements.
  - Access to lowagrants.gov for reporting, draw requests, amendments, etc.
  - Communicates with whomever the city indicates. Depends on city approach and preferences. Typically, Main Street or Chamber, architect, legal, property owners at certain times.
  - Critical to set up communications expectations early-on, and logistics/ coordination plans for when design and construction is underway.
    - Consider “project management” roles and responsibilities for stakeholders/ parties involved.
    - Consider regular update meetings between key stakeholders/ parties.

# DTR Process and Milestones (post award)

## IMMEDIATE TASKS

- » **Local communication with property owners:**
  - Interior or other work on buildings advised to wait until after CDBG grant is closed.
  - Become aware of any unavoidable plans for property improvements, communicate to IEDA Project Manager
    - Must go through Section 106 review
    - Must follow Davis Bacon and Procurement requirements
    - IEDA guidance on compliance is necessary early-on
- » **Clarify the level of historic review necessary and impacts on budget, which buildings have to follow Secretary of Interior Standards. Work with IEDA Historic Preservationist to clarify compliance. Questions -**
  - Has building or district been previously evaluated for eligibility for listing in the NRHP either individually or as an historic district?
  - If resources are unevaluated or were evaluated more than 5 years ago, work with a historic preservation consultant to evaluate resources.

# DTR Process and Milestones (post award)

- » Subrecipient agreement, *if applicable*, drafted and sent to Project Manager for initial review/ concurrence. Execute and upload.
- » Procurement of architect, historic preservation expertise in qualifications.
  - May have to oversee or complete historic evaluation (determined as result of IEDA HP consultation).
- » Design begins based on scope of work in application
  - Follow Secretary of Interior standards for specific buildings, as applicable, or will not result in Adverse Effect to historic property.
  - Detailed specifications necessary to satisfy Section 106 Review and Green Streets Criteria.
- » Property owners should receive updated designs and cost estimates as soon as they are available. Communicate regarding financial commitments.

# DTR Process and Milestones (post award)

- » Completion of detailed design documents, entire Section 106 SHPO submittal, Cost Estimates.
- » Two IEDA Review Points *before* SHPO submittal
  - IEDA Historic Preservationist Submittal/ Consultation re. Section 106
    - Won't submit to SHPO until below IEDA review point concluded
  - Any Significant Scope Change or Changes in Property Participation = Minor Amendment Request and updated budget. Examples:
    - Changes in *number* of properties participating
    - Changes on *which* properties are participating
      - New properties must be in slum/blight area, and commitment letter signed/ submitted
    - Significant proposed scope of work changes (esp. any proposed side or rear facades)
    - Significant financial changes in property owner financial commitment or local match composition

# DTR Process and Milestones (post award)

- » ***After SHPO review and approval, Prior to issuing construction bids***
  - Incorporate SHPO recommendations in Construction Documents.
  - Submit Iowa Green Streets Document, (Appendix C in Management Guide), Certification of Construction Contract Document Compliance, signed by architect and recipient.
  - Work on and discuss draft easements *and construction agreements* with property owners, if you haven't already. Involve city attorney or legal counsel.
    - NEW: Communicate with IEDA Project Manager on difference between easements and construction agreements.
- » ***After Bid is Selected, Before Construction Begins***
  - Easements and construction agreements with property owners executed and submitted to IEDA.

# DTR Process and Milestones (post award)

## » *After construction begins, through completion*

- Set up consistent communication channels and methods about project.
- Work closely with businesses and contractor to minimize disruption.
- Monitor to ensure no additional work is occurring that is non-compliant with federal requirements.
- Grant Administrator will conduct contractor employee interviews re. labor standards compliance.
- Be prepared for unexpected scope of work changes, especially when major façade components removed.
- Take lots of pictures to capture before, in-progress, after images.
- Publicize incremental successes and milestones.

# Questions

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