

COMMERCIAL RETENTION & REDEVELOPMENT PROGRAM 2023-24

CRR PROJECT: Step-by-Step Guidelines

<p><u>How it Works:</u> The CRR Program may require a percentage of matching funds from participants. A 10% match may be required for participation; in-kind match is permitted.</p> <p><u>Eligible Improvements</u> Awnings Carpentry Lighting Masonry Painting Roofing Signs Windows/Doors Parking Lot Repair</p>	<p><u>Eligible Interior Improvements</u> <u>Max. Award \$10,000</u> Walls Ceilings Floors Cabinets or Similar Built-in Fixtures Lighting ADA Accessibility Improvement</p> <p>***Loans forgiven over 2 years</p>	<p><u>Loan Funding Limits:</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Occupied Property:</td> <td style="text-align: right;">Maximum from City</td> </tr> <tr> <td>Single Storefront</td> <td style="text-align: right;">\$25,000</td> </tr> <tr> <td>Multi-Entrance (2+)</td> <td style="text-align: right;">\$25,000</td> </tr> </table> <p><u>Commercial Building Vacancy Opportunity</u> <u>Max. Award \$10,000</u> <u>Eligible Uses</u> Additional Exterior/Interior Improvements Inventory Specialty/Traditional Business Furniture Equipment Marketing Other Purchases as Deemed Necessary and Approved by the CRR Review Committee</p>	Occupied Property:	Maximum from City	Single Storefront	\$25,000	Multi-Entrance (2+)	\$25,000
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All projects, loan or grant, require an attempt to solicit 3 (three) bids from licensed commercial contractors.

Project Site Boundary: Program project site based upon individual Richland County tax map parcel boundary. The address of a building is searched and matched to the corresponding tax map parcel. If a building and its property expand over multiple contiguous parcels (side-by-side), owned by the same individual, the applicant is eligible for only one award. If an applicant owns more than one contiguous parcel (side-by-side) and each parcel has a designated address, the Commercial Retention and Redevelopment (CRR) Committee may consider, on a case-by-case basis, the possibility of multiple awards – one award for each parcel/address. Budget limitations of the program are a factor when making decision to ensure project funding is fairly distributed among all applicants.

INELIGIBLE Businesses: Residential Use Buildings; Government and/or Sub-component agencies, to include Public Educational Facilities; Franchises; Hotels; Motels; Liquor Stores; Convenience Stores/Gas Stations; Financial/Lending Institutions; National/Regional Chain Stores; Private Education Facilities; Private Membership and/or Fraternal Organizations; Vape Shops; and Adult oriented businesses.

1 Get Your Application Package and Program Information

- A. Available online at: <https://obo.columbiasc.gov/commercial-loans-grants/facade-improvement-program/>, or contact Carla.Eichelberger@columbiasc.gov/ 803.545-3381; 1401 Main St, Columbia, SC 29201.

2 Determine Improvements

- A. Candidates will submit Application of Interest, which includes list of improvements desired for building. Determine colors, sizes, type of materials, etc.

3 **Mandatory** Pre-Renovation Meeting with PC & Planning Staff

- A. When Candidate's Application of Interest has been submitted and reviewed by OBO Staff, the Candidate will be contacted to schedule a MANDATORY Pre-Renovation Meeting. During the Pre-Renovation Meeting, the Candidate's improvement plan will be openly discussed with OBO Staff and City Planning Staff, to ensure materials and design(s) of your project meet standard City Code.

NOTE: Applicants are not eligible to submit an FINAL PROJECT application without attending this mandatory meeting.

4 Prepare & Send Your Invitation to Bid (Minimum of 3 bid invitations are required. Only licensed contractors may bid.)

- A. If needed, OBO Staff will assist the candidate in preparing their Scope-of-Work (SOW).
- B. The Candidate will prepare an Invitation to Bid, which includes the SOW for project and deadline for bids to be submitted, usually 2 weeks from date of invite.

NOTE: In order to receive at least three (3) bids, you may have to invite 5-6 contractors to bid.

5 Receiving Your Bids from Contractors

- A. **An attempt to solicit three (3) bid invitations must be submitted with your application.** Of the 3 bid invitations submitted, the Applicant will clearly mark the contractor's bid they are selecting to perform the work.
- B. The City encourages applicants to extend opportunities to bid to minority, women and/or veteran-owned businesses. *(A reference list of these business types is available upon request.)*

6 Other Required Application Documents (See Application Checklist)

- A. Provide Proof of Good Standing for the following:
 - Property Taxes:** Copy of most recent PAID Tax Receipt showing "zero" (\$0.00) Past Due
 - Sewer & Water Fees:** Copy of most recent bill showing "zero" (\$0.00) Past Due
 - Mortgage or Lease:** If paying mortgage or lease, provide copy of most recent statement showing "zero" (\$0.00) Past Due; may also be in the form of a letter from landlord indicating tenant is not PAST DUE
 - Copy of existing Property and Liability Insurance:** (must show property address – Declaration Statement)
 - Copy of Business License (BL):** Copy of most recent BL; (Private property owner not required to have Business License)
 - Copy of Valid Driver's License**
 - Job Retention/Creation Worksheet:** *Submit with Annual Proof of Good Standing, each June 1, through maturity*

7 Assemble Application Package & Deliver (use the Checklist included in your Application package)

- A. Submit Application Package to OBO Staff by mail or hand-deliver to 1401 Main St. 4th Floor, Columbia, SC 29201. Your Application Package will be Time/Date Stamped to record receiving. Applications can also be submitted online; **however, an original, hard copy must still be submitted.**

8 Application Package Review and Approval/Denial Process

- A. Application Packages will be processed according to Time/Date Stamp. *(Scoring criteria available by request.)*
- B. Application Packages require a minimum of 70 points to be considered for Approval.
- C. Applicants will be notified via mail or email.

9 Obtain Proper Building Permits (usually done by the Contractor)

- A. Upon receiving the Official Project Approval Notification, the **Applicant is responsible** for notifying and ensuring that the Contractor obtains required permits, temporary encroachments, to include submitting any drawings, etc., this is standard for all construction projects within city limits. *(Contractor will use Official Notification as contract to obtain Permit(s).)*
- B. Permits will be obtained by Contractor within 5 days of the Applicant receiving Official Notification Award.
- C. The Applicant is responsible for providing Permit confirmation (Copy of Permit or Printed Permit Receipt issued by Development Services) in the form of an attachment to an email, or hand-delivered to OBO Staff. Upon confirmation receipt, OBO Staff will set date for Closing.
- D. When applicable, the City's Planning Division will issue the Certificate of Design Approval (CDA) upon approval of the CRR application. *(CDA is required for any property in a special zoning district – historic, design overlay, etc.)*

NOTE: Only when all required permits and plans approval are completed, will the Closing be held.

10 Loan Closing

- A. At a minimum, the 10% investment by the Applicant may be due and payable to Contractor at the Closing.
- B. The CRR Forgivable Loan Closing will be held **within 5 days of Contractor Permitting** and at the convenience of the Applicant and selected Contractor(s).
- C. At the conclusion of the CRR Forgivable Loan Closing, the "Notice to Proceed" will be issued.
- D. **No project construction shall begin without issuing the Notice to Proceed.**
- E. It shall be the responsibility of the Applicant to pay for any work, which is started/completed prior to receiving a 'Notice to Proceed'.

Closing Documents include, but not limited to: Commitment Letter, Note, Loan Agreement, Personal or Corporate Guaranty of Note (if Corporate, a Corporate Resolution is required that indicates Applicant is authorized to sign legal

documents on the company's behalf.), Contractors Notice of Non-Debarment, Conditions of Federal Funding (when applicable), Applicant-Contractor Agreement, and Notice to Proceed.

11 Construction

- A. **The Applicant is responsible for contacting OBO Staff to advise the first day work begins onsite.**
- B. **The Applicant serves as the Project Manager and is responsible for seeing that contractors start and complete their work as agreed.**
- C. Without prior written approval, failure to complete a project by the Completion Date may result in loss of funding. **For this target area, all construction must be completed in 45 days, or LESS.**
- D. The City must periodically conduct interviews with the construction workers on the job site. The purpose of the interviews is to capture observations of the work being performed, tools used, hours worked, and the wages they receive.
- E. The City reserves the right to inspect your project at any time.
- F. **CHANGE ORDERS: Must be Approved and Signed in advance by OBO Staff, Applicant & Contractor PRIOR to change in materials ordered and/or additional work being performed on site. **If not Approved as directed, all cost is the sole responsibility of the Applicant.****

12 Payment Process

NOTE: The Applicant may pay the first 10% of the Project Cost. This generally occurs at the Closing and on a case by case basis.

The City disperses funds to the owner at time of closing for any portion of this program. Funds are then paid to contractor as agreed by applicant and contractor. If Advanced Funds are required by the Contractor, these funds shall be paid by the Applicant. *(Any Advance amount paid by the Applicant above the 10% investment will be reimbursed through the Payment Process.)*

- As work is completed (or at the conclusion of the project), the contractor will provide proof of payment receipts or paid invoice statements.
- In addition to Pay Request and Contractor Invoice, the Contractor is required to submit all required Federal documentation as described at the Closing. (Fed Docs generally include: US Department of Labor Payroll Worksheet and Statement of Compliance with each Certificate of Payment Request.) *(Provided to Contractor in their Closing documents.)*
- All issues with Pay Applications will be resolved by the Applicant and the Contractor. *(CRR Staff is available to assist with issue resolution, as needed.)*
- The Applicant will review the Pay Request and Invoice to ensure only completed work is being invoiced and approved for payment. *(Applicant is not responsible for verifying any information on federal documentation.)*
- The Applicant will place their initials next to the Payment Due Amount on Payment Request and deliver the paperwork to OBO Staff.
- **The FINAL Pay Request shall include a copy of the City Building Inspector's Card (when applicable), indicating Satisfied, Approved, or similar, to show that work meets City Code.**
 - ***Should any installation fail official inspection, the CRR Program will yield to the appropriate City Department, or agency of jurisdiction, and its procedures for addressing a failed inspection.***
 - ***The CRR Program does not pay to bring failed work into code compliance. It is the sole financial responsibility of the Applicant, and their selected contractor, to pay all fees for professional drawings, materials, labor, and etc., associated with bringing the failed installation work into code compliance.***
 - ***The Applicant, and their selected contractor, are responsible for performing at a pace to meet any timeline outlined by the governing department/agency, or become subject to that agency's penalty process.***
 - ***The Applicant, and their selected contractor, are solely responsible for providing the final "SATISFACTORY", "PASSED", or similar form of official approval, from the agency of jurisdiction to OBO Staff.***

Failure to obtain Satisfactory Inspection may result in DEFAULT and repayment by the Applicant, of all funds paid by the City for project work, on the Applicant's behalf.

- Applicants are required to pay Contractor within three (3) business days of receiving payment from the City.

Contractor Note: Payment Request must be completed according to federal regulations and all related payroll documentation must be accurate and signed before Payment Request will be processed for payment.

13 Documents & Record Retention

- A. Documentation may include, but is not limited to: Application package, CRR Loan Closing documents, Annual Good Standing documentation to include Job Retention/Creation data, and other correspondence/documents that may be exchanged during the lifetime of the loan.
- B. Applicant must retain all forgivable loan documentation for a period of three (3) years ***BEYOND the MATURITY DATE.***
- C. OBO must retain all forgivable loan documentation for a ***period of no less than five (5) years from the completion date of the project.***

14 Conditions of Default

- A. Failure to provide Annual Good Standing documentation, by June 30, as agreed in the Closing documents.
- B. If the Applicant **closes, sells, or has a significant change in ownership (no longer majority owner) for any reason,** to include foreclosure and/or any other legal action, prior to the established Maturity Date of the forgivable loan, or if the improvements are not properly maintained for a period of two (2) years, the forgivable loan will be considered in default.
- C. Failure to contact appropriate official to conduct required inspection(s) and/or failure to provide “SATISFIED” Inspection Card.
- D. Upon Default, the City of Columbia has the right to request immediate repayment of the pro-rated, forgivable loan balance.

(Properly Maintained – receives no Code Violation(s), or any damage is repaired within 30 days)

Special Notes:

- ❖ This program is federally funded; therefore, all projects must comply with applicable Federal Laws.