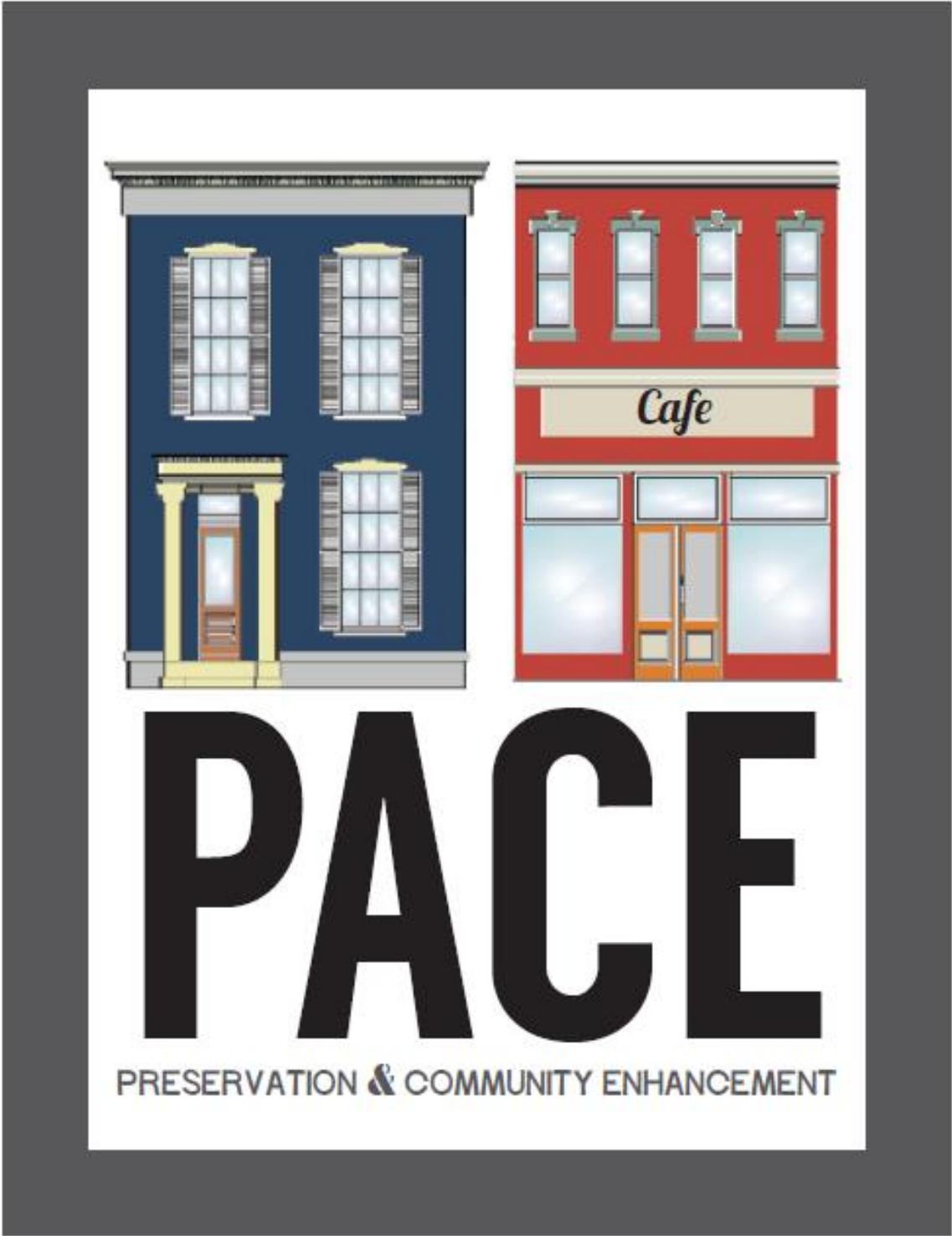


# CITY OF MADISON



## PROGRAM GUIDELINES

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## **I. Background**

The City of Madison is a recipient of a distributive share of a county economic development income tax (EDIT) that was enacted by Jefferson County in 2004. The City is required to submit to the County a Capital Improvement Plan to receive its share of the tax. Since the adoption of EDIT, the City submitted three (3) year plans with the latest expiring in 2013. In preparing the three year plan for the years 2014-2016, it was determined by the Mayor that a Grant Program for the City's historic district would be beneficial for maintaining and improving the streetscape of the historic commercial district as well as aiding historic residential property owners in restoring their buildings. This could help insure that the historic district properties of the City be maintained as well as continuing to support the City's tourism efforts in promoting its historic district.

The three year plan allows for \$50,000.00 per year to be placed in this program and the City Council approved the budget that appropriated \$50,000.00 for the 2014 calendar year. Following the creation and the acceptance of the guidelines to administer and control this program, the Council will enact an Ordinance establishing a nonreverting fund for the purpose of distributing the monies granted and depositing other funds that may be obtained for the P.A.C.E. Program.

## **II. P.A.C.E. Program Summary**

The City of Madison's P.A.C.E. Program provides exterior or structural rehabilitation assistance to encourage private property owners within the Madison, Indiana local historic district to maintain, repair, and appropriately rehabilitate their historic structure(s). The program provides at maximum, a 100% match contribution not to exceed \$7,500.

## **III. Program Goals and Principles**

The primary goal of the P.A.C.E. Program is to promote economic development through encouraging proper exterior historic rehabilitation and preservation to both residential and commercial properties located within the local Madison Historic District boundaries. This program provides eligible private-property owners with funds to aid in their exterior rehabilitation or preservation projects.

A proper rehabilitation is one that maintains, preserves, and protects as much of the original or historic fabric as possible. Where possible, it is always preferred that historic materials are repaired rather than replaced. Historic architectural elements should only be replaced when they are either missing or deteriorated or damaged beyond repair. If an exterior architectural element is missing, reconstruction is recommended. Adequate historic documentation, such as pictures, should be used, when possible, to accurately reproduce missing exterior architectural elements.

Please review the Madison Residential Design Guidelines and the Madison Commercial Design Guidelines for further guidance on how to properly preserve your historic property. Copies may be found online at <http://www.madison-in.gov/Index.aspx?NID=169> or in the Historic Preservation Office at City Hall.

#### **IV. Eligible for Participation**

Persons, corporations or associations\* holding a fee simple title of any contributing or potentially contributing historic property within Madison's local historic district as designated by the Historic Ordinance, are eligible to apply. If the applicant is leasing the project building, the owner must agree to cosign the P.A.C.E. Program agreement.

In order to be considered for funding, applicants must provide legal documentation stating that they either own the property to be rehabilitated or that they have received permission from the owner for the applicant to apply for funding. All property taxes must be current. The applicant must provide, if applicable, evidence of the owner's willingness to execute all legal agreements.

\*No active elected official of the City of Madison, department heads, member of the Board of Public Works and Safety, member of the Historic District Board of Review or member of the Historic District Grant Program Review Committee or their direct relatives are eligible to receive funds from the P.A.C.E. Program. A relative is defined as the spouse, parent, father-in-law, mother-in-law, child, son-in-law, daughter-in-law, grandparent, grandchild, brother, sister, brother-in-law, sister-in-law, uncle, aunt, nephew, or niece and whose relationship is the result of birth, marriage, or adoption. If any of the above listed ineligible individuals is a business associate of the applicant in another business enterprise, then the applicant would also be prohibited from receiving a grant. A business associate is defined as a person or that person's relative as listed above that has a financial interest with the applicant in another business.

#### **V. Eligible Improvements**

The City of Madison's P.A.C.E. Program provides funds strictly for structural stability work or exterior work. It does not fund interior projects. The proposed project must abide by the Secretary of the Interior Standards for Treatment of Historic Structures as well as the Madison Local Historic District Ordinance and Design Guidelines. The Madison Local Historic District Design Guidelines may be found at the following link: <http://www.madison-in.gov/index.aspx?nid=139>

Eligible exterior work includes but is not limited to:

- Exterior wall repairs
- Exterior window and door repairs
- Repair of existing historic elements
- Reversal of previous inappropriate alterations
- Roof repair/replacement
- Demolition of non-historic additions

- Foundation repairs
- Masonry/stucco repairs
- Structural rehabilitation/reinforcement
- Porch and step repair
- Cornice and parapet repair
- Reconstruction of original architectural elements based on documentation or evidence
- Historic garage, guest house, or carport rehabilitation
- Awnings
- Painting

## **VI. Application Process\***

1. Applicants must meet with the City's Preservation Coordinator about the proposed project.
2. If applicable, the applicant must submit an application to bring proposed project to the next Historic District Board of Review (HDBR) meeting.
3. If applicable, a Certificate of Appropriateness (COA) must be granted by the HDBR in order to continue on with the P.A.C.E. Program Application.
4. The complete P.A.C.E. Program Application must be turned into the City's Preservation Coordinator by the quarterly deadline. Please see the City's website for the listing of the current application cycle deadlines.
5. Once the completed application has been submitted to the Preservation Coordinator, the Preservation Coordinator emails the application to all the Technical Advisory Panel (T.A.P.) members.
6. T.A.P. members have the opportunity to review applications and submit letters of support or notes for each application submitted.
7. Three weeks before the P.A.C.E. Review Committee meeting, the Preservation Coordinator organizes applications and all T.A.P. input and distributes to the P.A.C.E. Review Committee members.

8. Approximately every 90 days, the P.A.C.E. Review Committee will review applications for the P.A.C.E. Program. The quarterly P.A.C.E. Review Committee meeting will take place, unless otherwise noted, on the second Monday of the second month of the current quarter at 5:30pm in City Hall. There will always be at least 5 weeks between the application deadline and the P.A.C.E. Review Committee meeting.
9. The P.A.C.E. Review Committee approves or denies the application.
10. The P.A.C.E. Review Committee sends the applications they approve to the Mayor of the City of Madison, IN.
11. The Mayor brings the approved applications before the Board of Public Works for final and official approval.
12. The Board of Public Works approves or denies the applications.

\*Please see appendix A for the application form

## **VII. Project Selection Criteria**

The decision to approve an application will be based on the value and quality of the proposed project and its overall impact on Madison's preservation efforts. Listed below are the priorities of this program and the description of the weight system used in the decision making process.

### **PRIORITIES:**

#### First Priority Projects:

Projects that preserve and restore historic features visible from the public right-of-way.  
Projects that preserve the integrity, safety, and stability of elevations of the structure.  
Structural stabilization is also a first priority project.

#### Second Priority Projects:

Projects that remove incompatible features.  
Projects that restore missing or altered historic features on the elevations not visible from the public right-of-way.

#### Third Priority Projects:

Projects that focus primarily on the beautification of the property.  
Examples include, but are not limited to: painting, awning repair/replacement, shutter repair/replacement.

## WEIGHT SYSTEM:

Applications will be reviewed and assigned points based on the following criteria. The points will be tallied and used to decide if the application is approved or denied. Please see appendix D.

- Donating a Conservation Easement: If the applicant has donated a conservation easement to an eligible organization with an established monitoring system and provides the Deed of Conservation Easement in their application, five (5) points will be added to their application score. If the applicant would like to donate a conservation easement once their proposed project is complete, the applicant may submit a legal agreement between them and an eligible holding organization stating that upon completion of the project the applicant will be donating a conservation easement. If this legal agreement is included in the application, five (5) points will be added to their application. Conservation Easements are a proactive measure to ensure the continued protection of historic properties.
- First Priority Projects: If the proposed project is a first priority project, as described above, three (3) points will be added to the application score.
- Second Priority Projects: If the proposed project is a second priority project, as described above, two (2) points will be added to the application score.
- Third Priority Project: If the proposed project is a third priority project, as described above, one (1) point will be added to the application score.
- Neighborhood Project: To encourage neighborhood development, the P.A.C.E. program will accept projects that incorporate multiple properties. These projects are considered neighborhood enhancement projects and this should be mentioned in the general project overview section of the application. The properties included in this type of project are not required to involve the same kind of work. For example, one property may apply for mortar repair while another may apply for window repair. The budget must be clear as to the cost of each individual project as well as what portion of the grant amount will be designated to each property. The maximum grant available to these types of projects is still \$7,500 at a 100% match. One (1) point per property up to a maximum of 5 points will be added to the application score. These participating properties may not be owned by the same individual, organization, or business.
- Letters of Recommendation: The applicant may ask community members to submit letters of recommendation to the Preservation Coordinator in support of the project. One (1) point per letter up to a maximum of five (5) points will be added to the application score.
- Sweat Equity: The P.A.C.E. Program will accept sweat equity in the form of the applicant's personal labor in the project. One (1) point per 10% of sweat equity in relationship to the total project, up to a maximum of 50% or five (5) points, will be added to the application score. For example, if an applicant is doing a porch repair and

they will be doing 30% of the labor themselves, their application will receive three (3) points. In order to receive sweat equity points, the applicant must provide in their project description an outline of the labor they personally will be completing as well as an outline of the labor hired workers will be completing. Please see appendix C for the project description form.

- Applied For and/or Granted Historic Tax Credits: Historic tax credits are a valuable resource to use in regards to financing rehabilitation projects. If the applicant has applied for or has received historic tax credits for the proposed project, three (3) points will be added to the application score.
- Owner/Applicant Resides in the Building: If the owner or applicant resides in the building, two (2) points will be added to the application score.
- Owner/Applicant Works in the Building: If the owner or applicant works in the building, two (2) points will be added to the application score. This will not apply to home offices.
- P.A.C.E. Review Committee Member Point: Each P.A.C.E. Review Committee member will receive one (1) point per P.A.C.E. Review Committee meeting to give to an application they feel is the best overall project proposal. No application may receive more than five (5) P.A.C.E. Review Committee member points.

### **VIII. Funding Limits**

The program provides at maximum, a 100% grant match of the applicant's contribution to the maximum limit of \$7,500. Proceeds from insurance settlements do not constitute a match. Once an individual or organization has been granted funding by the Board of Public works, they may not apply for funding again for 2 years.

Applications are accepted on a rolling basis but are only reviewed approximately every 90 days. The application deadline will be the first Monday of the quarter. Please see the city website for the current deadlines. The application will be reviewed at least five (5) weeks after the application deadline.

### **IX. Project Budget and Contractors**

A detailed project budget must be provided as part of the final application. The exact bid amount must be listed out in the budget. This includes both materials and labor. Building permit fees, if applicable, are the responsibility of the applicant and cannot be included in the project budget. If using hired labor, the budget must be completed by a licensed contractor, subcontractor, vendor, or craftsman. It is the responsibility of the property owner to ensure that the selected contractor has the proper licensing to perform the requested work.

According to the City of Madison, Indiana's City Ordinance #2008-25, all contractors must be registered with the City of Madison. If the applicant decides to change the contractor at any point during the duration of the project, the applicant must notify the Preservation

Coordinator. If using a contractor, the contractor must be listed in the application. If the contractor or person doing the work is not listed, the application will be considered incomplete and will not be accepted for submission to the P.A.C.E. Review Committee. For the budget form please see appendix B.

#### **X. Commencement and Deadlines for Exterior Rehabilitation Work**

Any work included in the project description, whether funded by the P.A.C.E. Program or by the applicant, must not begin until the Preservation Coordinator informs the applicant that the Board of Public Works has approved their grant application, all agreements have been signed and all contractual requirements have been turned into the Preservation Coordinator. If donating a conservation easement, it is the responsibility of the property owner to ensure that their work abides by the Deed of Conservation Easement . If the project is not completed within twelve (12) months following the grant approval by the City of Madison Board of Public Works and Safety, the grantee may request approval by the Board of Public Works and Safety for an extension for a period not to exceed twelve (12) additional months. If the project is not completed within the original twelve (12) months along with any approved extensions by the Board of Public Works and Safety, then all fund previously provided to the recipient shall be returned and placed in the P.A.C.E. Nonreverting Fund for future distribution. All projects will be reviewed upon completion by the Preservation Coordinator to ensure that the work was completed according to the P.A.C.E. Program Agreement. Failure to complete any project may result in the City placing a lien on the property recovering grant monies in the amount of monies received.

#### **XI. Final Report**

The applicant must submit a final report to the Preservation Coordinator within 45 days of the project being completed. The final report must include the following:

1. Description of work completed.
2. Detailed description of who completed the work.
3. Final project budget (copies of invoices and receipts must be included).
4. Pictures of the finished project.

Please see appendix E for the final report form.

#### **XII. Application Approval Process**

Funds for the P.A.C.E. Program are awarded through a competitive application process. Annual funds are limited and therefore not all applications submitted will be funded. It is important that the applicant submit a thorough application that is in accordance with the instructions in these guidelines. If the applicant would like further help with their application, please contact the Preservation Coordinator for assistance. The P.A.C.E. Review Committee is not obligated to approve any of the applications.

Before completing an application, please read the P.A.C.E. Program Guidelines thoroughly. Questions concerning the program, including the appropriateness of a project or the eligibility of proposed work, should be directed to the Preservation Coordinator before completing an application.

**All materials must be received by 4:00 PM on the grant application due date. This includes the original and one complete copy (a total of two (2) complete sets) of the application. Applications missing crucial elements, such as the photographs, photos, budget reports, or site plan, or without sufficient copies of all materials, will not be considered for funding. The applicant is responsible for ensuring that the application is complete.**

ONCE APPLICATIONS ARE RECEIVED, THE FOLLOWING PROCESS APPLIES:

1. The Preservation Coordinator forwards the completed applications to the Technical Advisory Panel (T.A.P.) members. This panel is an ad hoc advisor panel made up of local organization representatives with experience in historic preservation and rehabilitation work. The purpose of this panel is to review the applications and submit letters of recommendation or notes that the P.A.C.E. Review Committee may use as a reference. T.A.P. has no legislative power in the final decision making power of the P.A.C.E. review committee. Their recommendations serve strictly as professional advice. The T.A.P. responses are collected by the Preservation Coordinator and added to the proper application folder.
2. The T.A.P. support letters or notes as well final P.A.C.E. Program applications are forwarded to the P.A.C.E. Review Committee by the Preservation Coordinator.
3. P.A.C.E. review committee or staff (Preservation Coordinator) contacts the property owner to schedule a site inspection of the property after the complete application is submitted. At the inspection, the P.A.C.E. Review Committee evaluates the property condition and the proposed work items to ensure that the most critical needs are being addressed and that the proposed work meets the city's Historic District Ordinance and Design Guidelines.
4. Approximately every 90 days, the P.A.C.E. Review Committee will review applications for the P.A.C.E. Program. Applications go up for review at the quarterly P.A.C.E. Committee Review meeting which will take place, unless otherwise noted, on the second Monday of the second month of the current quarter at 5:30pm in City Hall. There will always be at least 5 weeks between the application deadline and the P.A.C.E. Review Committee meeting.
5. The P.A.C.E. Review Committee sends their approved applications to the Mayor of the City of Madison, IN.

6. The Mayor of the City of Madison, Indiana brings the approved applications before the Board of Public Works.
7. The Board of Public Works approves or denies funding for the applications.
8. Before work may begin on a project approved for funding, the Preservation Coordinator requires receipt of an executed Consent Agreement from all lienholders. Applicants must also sign and abide by the terms of the Deed of Conservation Easement and the P.A.C.E. Program Agreement.
9. Projects not recommended for funding by the P.A.C.E. Review Committee will receive written notification. Applicants who wish to resubmit for consideration in a future grant cycle are encouraged to meet with Preservation Coordinator before submittal to receive advice for improving their application. Denied applications from the P.A.C.E. review committee may appeal their application directly to the Board of Public Works.

### **XIII. Project Sign**

Recipients of a P.A.C.E. Program grant must agree to post a sign in either the front yard or a front window acknowledging the P.A.C.E. Program. The sign must remain displayed in a prominent location during the entirety of the project. If the sign is damaged, the project participants are asked to notify the Preservation Coordinator so a replacement sign may be delivered.

### **XIV. Contractual Requirements**

The following documents must be included with the final application:

1. Consent Agreement:

The consent agreement, which is signed at the bottom of the official application, acknowledges that the applicant understands the rules, regulations, and guidelines for the P.A.C.E. Program and if awarded funding will abide by all legal contracts signed.

2. Exterior Rehabilitation Program Agreement:

The P.A.C.E. Program Agreement is signed upon the approval of the grant by the Board of Public Works.

3. Deed of Conservation Easement (optional):

If the applicant chooses to donate or has already donated their façade to an organization with an approved monitoring system, and wish to receive the points associated with a conservation easement, the applicant must provide the deed of conservation easement or the legal agreement stating they will donate easement to an organization following completion of the project.

4. Proof of Insurance:

The applicant must provide proof of either home insurance for residential properties or commercial building insurance for commercial properties.

5. Business, Organization, or Association Information (If applicable):

If the applicant is a business, organization, or association they must provide the following:

- a. Articles of incorporation.
- b. A certificate of partnership and complete partnership agreement, if the applicant is a partnership.
- c. Bylaws and other organizational documents if the applicant is an association.

## **XV. Disbursement of Funds**

Once approved by the Board of Public Works, fifty percent (50%) of the funds will be provided to the recipient after fifty percent (50%) of the project is completed and the balance of the grant funds are to be provided to the recipient following the project total completion. The applicant is required to notify the Preservation Coordinator as to the day the project work will begin. The application is required to notify the Preservation Coordinator once fifty percent (50%) of the project is completed. The Preservation Coordinator will inspect the property to ensure that the work meets the requirement of the P.A.C.E. Program Agreement. If approved, fifty percent (50%) of the awarded grant funds will be made available to the applicant. The property will be inspected once more after the completion of the project. If the work does not meet the requirements of the P.A.C.E Program Agreement the applicant must correct the work. If the work is not corrected, and in conjunction with the P.A.C.E. Ordinance Section (F) the applicant must surrender the full amount of the grant funds back to the City of Madison.

**Audit:** Not later than 45 days following the inspection and approved completion of the project, the grant recipient is required to submit a detailed list of all expenditures that was specific to the approved project. Supporting documents such as vendor invoices, proof of payment, etc may be required. Should the grant recipient's total approved expenditures meet or exceed the required project cost, then the project is considered completed. As outlined in Section VII. Funding limits, the program provides a maximum match of funds to 50% of the actual cost of the project, but not to exceed \$ 7,500. Should the expenditure be less than the project estimate, then a repayment and a grant adjustment will be necessary.

For example, the project was approved for a \$ 10,000.00 cost, with a \$5,000.00 match from the PACE Program, but the actual cost of the project was \$ 6,000.00. At \$ 6,000.00, the program's match would have been \$3,000.00. The grant recipient will be required to reimburse the P.A.C.E. Program \$ 2,000.00. Should the recipient fail to make this restitution within 60 days of notification, the City of Madison, Indiana may place a lien on the property in order to recover grant monies.

## **XVI. Committee Criteria**

The P.A.C.E. Review Committee shall consist of five (5) members and all members shall be residents of the City of Madison. All members should have a strong understanding of preservation and be knowledgeable of the City of Madison's Historic District Guidelines.

The Committee shall be composed of five (5) appointed members. Three (3) of the members shall be appointed by the Mayor and two (2) of the members shall be appointed by the Common Council. For the initial appointments, the Mayor shall appoint one (1) member to serve for one (1) year, one (1) member to serve for two (2) years and one (1) member to serve for three years. The Common Council shall appoint one (1) member to serve for one (1) year and one (1) member to serve for two (2) years. Except for the initial appointments, each member shall serve for three (3) year terms and may be reappointed for one (1) additional three (3) year term. The initial appointments of one (1) and two (2) year terms may serve for two (2) full three (3) year terms in addition to their initial term. After completion of serving the maximum terms allowed, a former member may be reappointed to additional terms, but shall have a least a one (1) year break in service to be eligible to serve any additional terms.

All members shall serve until a successor is appointed and qualified. The member's term will end on December 31<sup>st</sup> in the year his/her term is completed. At the first meeting of each year, the Committee will choose a Chairperson to conduct their meetings. If a vacancy occurs, a successor shall be appointed in the same manner as the departed member, and the successor shall serve the remainder of the vacated term. The appointing authority may, at any time, remove a member appointed by him/her (they) for misfeasance, nonfeasance or malfeasance in office.

An individual interested in serving on the P.A.C.E. Review Committee should submit a letter of intent and application. For application please see appendix F. Once accepted as a member of the P.A.C.E. Review Committee, the member must sign a confidentiality statement as well as a conflict of interest agreement.