

# **DANVILLE BUSINESS ALLIANCE**

## **BUSINESS TO BUSINESS FUND OPERATING GUIDELINES**

# POLICY AND PROCEDURES

## WHO IS ELIGIBLE?

Anyone who owns or leases commercial property in the designated downtown area is eligible to apply. Commercial tenants may apply with the written approval of the building's owner, if the application involves improvements to the leased building. Buildings with outstanding code violations are not eligible for this grant.

**Program Area:** The south side of Bloom Street (U.S. Route 11) to the north side of West Front Street, and the east side of Continental Boulevard (Pennsylvania State Route 54) to the east side of Ferry Street (for a detailed depiction of the program area, see map at page 20).

## WHAT IS AN ELIGIBLE PROJECT?

Eligible projects are the following:

(1) Permanent improvements to commercial buildings within the defined program area that do not qualify for the Danville Façade Grant Program are eligible. The Danville Façade Grant Program design guidelines are incorporated by reference, and they shall apply to Business to Business Fund Grant applications for building improvements not eligible for the Danville Façade Grant Program. Qualifying commercial properties include single-purpose retail and office buildings and mixed-use buildings containing combinations of retail, office, and residential apartments. In cases where more than one business exists within the same building, each business can receive its own grant for eligible grant activities.

Permanent improvements to a commercial building are defined as increasing the value of the building or prolonging its useful life; increasing the productivity, efficiency, strength or quality of the building; restoring the building to "like new" condition; or adapting the building to a new or different use.

(2) The purchase of tangible property to be used exclusively in and for the applicant's trade or business with a useful life greater than 12 months, such as machinery, equipment, furniture, and fixtures, will be eligible.

**Full private funding for the project must be in place before application for Business to Business Grant Program funds can be made. Both business owners (tenants) and the property owners of record on the tax rolls may apply. In the case of building improvements business owners will need the signed approval of the property owner. The application must be approved prior to any demolition or construction of that part of the project, or any purchase of machinery, equipment, furniture or fixtures for which funding is being sought. Before work may begin, the Applicant shall submit a signed copy of its contract with its contractor(s) or vendor(s) consistent with the approved application. Before reimbursement, after all work is done, the**

**applicant shall provide a signed copy of the contractor's or vendor's invoice marked "paid" with a copy of the cancelled check made payable to the contractor(s) or vendor(s), and include *all* receipts. Applicants will also be permitted to perform their own building improvements , but reimbursement will be limited to the cost of materials only, subject to the project reimbursement maximum of \$2,000.**

The types of activities that are eligible under the DBA Business to Business Fund Guidelines include, but are not limited to, the following:

### **Building Improvements and Restoration**

- Cleaning of exterior surfaces using the gentlest effective means possible
- Repair/Restoration of historic features
- Replacement of missing historic features provided adequate documentation exists
- Repointing
- Painting (only if the building was originally painted) and Exterior Decoration
- Repair Windows, Doors, and Stoops
- Awnings, canopies or other exterior window treatments
- Exterior Light
- Signage
- Removal of inappropriate materials
- Architectural services
- Interior improvements
- Flat or sloped roof repair and/or replacement not visible from the public right-of-way
- Sidewalks
- Paving
- Landscaping

### **Purchase of Tangible Property**

- Machinery and equipment
- Furniture and fixtures

**All work on exterior building activities must follow the Design Guidelines, which are drawn from the Secretary of the Interior's Standards for Rehabilitation (Copy Available at the Danville Business Alliance office) to be eligible.**

**The Secretary of the Interior's Standards are generally accepted as the standard for work undertaken on historic buildings. The basic theme of the Secretary of the Interior's Standards is "least is best." The less done to the building, the greater the opportunity to preserve its historic features, and the greater the cost saving. Exterior changes must be consistent with the existing or preferably earlier appearance of the building.**

The types of activities that are **not** eligible under the DBA Business to Business Fund Guidelines include, include but are not limited to, the following:

- New construction, to include expansion and/or addition to an existing building
- Real property acquisition
- Transactional and investigatory costs to facilitate or decide to acquire tangible property
- Transportation and shipping costs associated with the purchase of tangible property
- Purchase of spare parts intended for routine maintenance and repair
- De minimis purchases of tangible property, defined as less than \$100
- Tangible property with a useful life of 12 months or less
- Working capital
- Purchase of consumable materials and supplies for the production of inventory
- Routine maintenance and repair
- Casualty losses
- Non-permanent items
- Remediation of code violations not addressed above
- Reimbursement for work conducted prior to award of grant
- Inventory and accounts receivable

**Please Note:** Your property may be located in the local historic district. Please contact the Danville Borough Code Administrator at 275-3091, to determine what additional approvals might be required. The Code Administrator can also help you with any permits that might be necessary.

### **SELECTION OF PROPERTIES:**

The DBA Design Committee shall review and approve the buildings and businesses to receive assistance. If more applications are received than there is money available, grants shall be awarded for available funds on a first come first serve basis to eligible applicants. Applicants not funded could re-apply if additional funding should become available.

For exterior building improvement projects a building owner can only submit one application per property, as described in a single deed, for any funding round. Any future applications for the same property would have to be for distinctly different work and funded from a subsequent round of funding. If for any reason the program is undersubscribed, the DBA reserves the right to consider funding a second exterior building improvement project for the same property from the same round of funding providing the work is distinctly different. However, preference will be given to deserving projects submitted by previously unfunded applicants.

Multiple applications for interior building improvement projects and purchase of tangible property may be submitted for a single building property. Additionally, if any applicant does not make a good faith effort to begin the planned construction work or purchase the

tangible property for a period of **three** months from the execution date of the contract with the DBA, the DBA reserves the right, with notice, to award those funds to another ready to start eligible project. The non-performing applicant would then have to re-apply for future funding.

## **APPLICATION PROCESS**

1. **Obtain and Review Application Package:** Applications may be picked up from the DBA office, 17 East Mahoning Street, (570) 284-4502.
2. **Complete Application/Request Assistance to Complete Application:** If requested, assistance will be provided in the completion of the application. Once submitted, the Main Street Manager will review the application for completeness and eligibility. Completed applications will be time dated and processed in the order of receipt. The application will then be referred to the DBA Design Committee for evaluation, and then referred to the DBA Board of Directors for final approval. Projects will be evaluated with regard to its adherence to the DBA Business to Business Fund Guidelines, economic impact, and the applicant's ability to complete the proposed project in a timely fashion. Grants will be awarded until the funds are exhausted. All applicants will be notified in writing of determinations regarding their applications.

Applications must include the following attachments:

- Two copies of an “as-is” and current color photograph of the building property and the exterior and/or interior parts to be improved, or the tangible property to be purchased.
- Verification of building ownership (copy of deed), and if other than owner is applying, written approval from the owner. Purchase of tangible property will also require written approval by the building owner.
- Tax statement (evidence that real estate taxes are current).
- Verification of current property insurance, to include the building contents.
- Design plans, which could be a sketch or drawing of the proposed building project; paint samples; any other project related material.
- Copies of two written cost proposals from contractors, subcontractors, suppliers, and/or vendors
- Written cost of materials if the applicant plans to perform his or her own improvements.
- Evidence of sufficient funds to complete the project, including a copy of the bank's loan approval, if a loan is required.

Applications will be reviewed on a timely basis as they are accepted. However, the DBA will not consider any application with incomplete or missing information.

3. **Application Fee:** To defray the costs of administering the Façade Grant Program, a \$75.00 application fee will be collected from each applicant at the time the complete application is submitted. DBA members will be exempt from the fee requirement. In the event the application is disapproved, the application fee will be refunded.
  
4. **Review of Application:** The Design Committee of the DBA reviews the application and makes a recommendation to the DBA Board of Directors on the disposition of the grant application with consideration based on the following criteria:
  - a. The completeness of the application and all documentation.
  - b. Selection and utilization of historic colors from historic color pallets for exterior improvement projects.
  - c. Types of materials used, when possible, should adhere to the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings.
  - d. Sensitivity to the compatibility of the project with adjoining properties in order to complement the adjoining properties.
  - e. Purchase of tangible property must be for a legitimate business purpose at the applicant's place of business in Danville, Pennsylvania, for a period of greater than 12 months.
  - f. Applications for both contributing and non-contributing buildings or structures within the Danville Historic District will require the review of the Historical Architectural Review Board (HARB) before being reviewed by the Façade Design Committee.
  - g. For those applications requiring approval of the Danville Borough Council, the issuance of a Certificate of Appropriateness. For those applications that require only consultation with the HARB for advisory purposes only, a copy of the HARB review.
  - h. The approved application will then be tendered to the full DBA Board at their next scheduled meeting.
  - i. When the approval process is complete, the attached Program Agreement must be signed prior to commencement of work.
  - j. We are using one grant application for building owners and business owners, with a maximum grant of \$2,000 per applicant, per project. The DBA will decide the amount each grant is funded.
  - k. Any and all disputes will be resolved by the full DBA Board of Directors.
  
5. **Execute a Contract:** Approved applicants must sign the Program Agreement to complete the work, and to commit to maintaining the property improvements, and/or purchase, as appropriate, in good condition. Business owners who lease will need the signed approval of the property owner. The project must be approved by both the DBA Design Committee and the DBA Board of Directors. **Applicants are required to meet all codes and ordinances of the Borough of Danville before any work is conducted. Proper Borough permits must be**

**obtained before work can commence, and required Borough inspections must take place. Failure to comply will result in forfeiture of the grant. Applicants should inquire at the Borough Code Administration Office as to any further review that might be required by the Historical Architecture Review Board.**

6. **Terms of Grant:** Upon successful completion and submission of required documentation and receipts, each approved project will be reimbursed directly to the applicant.

Successful completion includes:

- Adherence to the approved scope of work and timeline;
- Submission of detailed invoices from qualified contractors, tradesman, suppliers, and/or vendors must be submitted with the request for reimbursement
- Final inspection by a representative of the Design Committee of the DBA, the Borough of Danville, and the applicant's financial institution, as appropriate.

## **PROJECT PROCEDURES**

**Initial Project Meeting:** Once the application is received and reviewed for accuracy, the DBA Design Committee may contact the applicant to schedule an Initial Project Meeting to become familiar with the project work. At this time the Main Street Manager, DBA, and the DBA Design Committee can work with the applicant on the details of the project and offer assistance. In addition, this meeting forum will provide the applicant the opportunity to obtain information from the DBA Design Committee.

Upon the completion of the Initial Project Meeting, the following process describes the course of the Business to Business Fund Program. The order and necessity of each step will be determined on a case-by-case basis depending on the requirements for each project:

1. **INITIAL INSPECTION.** A representative from the Design Committee of the DBA will conduct an initial inspection of the existing building to evaluate the proposed project. The applicant will meet with the DBA representatives to review the scope of work. An architect will be required when building projects propose changes to the design and placement of windows, entrances, other openings, and/or structural changes to the building. Architect fees up to \$500.00 can be financed through the program.
2. **DESIGN REVIEW.** The Design Committee of the DBA will review exterior and interior improvement project proposals and if applicable, accompanying architect's drawings for each project, and provide approval or make recommendations for alternatives if deemed necessary. All improvement projects must conform, when possible and as appropriate, to the spirit of the Secretary of the Interior's Standards for Rehabilitation (copy available in DBA office or online at [www.nps.gov/history/hps/tps/tax/rehabstandards.htm](http://www.nps.gov/history/hps/tps/tax/rehabstandards.htm)) and must be approved by

the DBA Design Committee and the DBA Board of Directors prior to commencement of work.

3. **CONTRACTOR BIDDING.** The owner will then solicit at least two bids from qualified contractors and/or vendors to complete the proposed project. (A qualified contractor is defined as one regularly doing business as a contractor, being able to acquire and maintain insurances and have experience with similar projects.) The bids will then be reviewed for completeness and given to DBA for attachment to the application.
4. **FINANCING.** If the Applicant/Owner has secured the required matching funds, and the required permits and certifications, the project will advance to the APPROVAL phase. If the Applicant/Owner requires financial assistance to provide the required match, he/she may submit an application to the financial institution of his/her choice. In appropriate cases, the Board of Directors may issue a non-binding, tentative approval of the application, subject to satisfying all the requirements to complete the application.
5. **BOARD.** The DBA Design Committee will then present the project to the Board of Directors of the DBA. The Board will review the project and recommendations of the committee and vote to approve the project for one half of the project amount but not exceeding \$2,000 or deny the project. If the project is denied, the DBA will notify the applicant of the reasons for the denial.
6. **DETERMINATION OF ELIGIBILITY.** The DBA must determine that the owner is eligible for DBA assistance based on the application documentation, improvement/purchase specifications, and financial ability.
7. **CONTRACT SIGNING.** A contract agreement, provided by the DBA will be required between the owner and the DBA. **No Work Can Begin on the Project until the Contract is Properly Executed.**
8. **REHABILITATION MONITORING.** As work progresses the DBA, as a service along with the owner, will monitor the project to assure contract compliance. In the event the scope of the project changes due to unforeseen circumstances, the DBA will work with the applicant to insure the project remains eligible for any approved funding.
9. **FINAL INSPECTION, PAYMENT, AND PROJECT CLOSEOUT.** As this is a reimbursement program, checks will be issued to the owner or applicant only after a paid invoice(s) from the contractor(s) and/or vendor(s), cancelled check(s), and “after” photographs have been provided to the Main Street Manager, and all work items for which payment is requested are inspected and confirmed completed in accordance with the approved description of the project and Borough codes and ordinances, and the DBA has sufficient time to process a payment. Final inspection of the work will only be made after all work has been satisfactorily completed and the owner has received all warranties and guarantees. If the work is not complete, as per the specifications, or if Borough code or

ordinance violations exist, final payment will not be approved and payment will be withheld until all work is completed or corrected.

As this is a 50/50 reimbursement grant program, checks will be issued as payment for half of all paid invoices presented up to the approved amount. Final payment will be issued to the owner or applicant upon approval of the Main Street Manager and the DBA.