



**POLICIES OF THE BOARD OF THE
WINDSOR DOWNTOWN DEVELOPMENT AUTHORITY
IN CONNECTION WITH THE
FAÇADE IMPROVEMENT PROGRAM**

The Façade Improvement Program of the Windsor Downtown Development Authority (DDA) is designed to assist property and business owners within the DDA boundary in the renovation of building facades in an effort to increase visitor counts, increase sales tax revenues, increase property values, and improve the aesthetics of individual storefronts and the downtown as a whole, all to be to be governed and administered in accordance with the following DDA Board (Board) policies.

Policy I: Façade Tax Increment Program and Façade Grant Program

- A. Façade Tax Increment Program: The Façade Improvement Program includes a Façade Tax Increment Program (FTIP) under which the Board considers investments in façade improvement projects within the DDA boundary which increase property tax increment. The FTIP provides funding based on either the total project costs, the supportable property tax increment or the cost of eligible project features in accordance with the Project Funding Guidelines set forth in Policy V.A.
- B. Façade Grant Program: The FIP also includes a Façade Grant Program (FGP) to encourage property owners within the DDA boundary to renovate the facades of their buildings. The Grant Program provides grants of up to 25% of the total cost of the façade renovation up to a maximum of \$20,000 per façade in accordance with the Project Funding Guidelines set forth in Policy V.B.
- C. Project Funding in General: Both the FTIP and the FGP are funded by public monies. Proposals are not entitled to funding. Proposals are considered by the Board on a first-come, first-served, case-by-case basis and evaluated based on the ability of the project to further the goals of the DDA. Funding is at the discretion of the Board. Funding must be used on public improvements (i.e. improvements within a public right-of-way or easement) or eligible façade improvements.

Policy II: Program Funding

- A. FTIP: Funding for the FTIP is based on the available annual property tax increment from a particular project.
- B. FGP: Funding for the FGP is based on the amount budgeted annually by the Board.



C. Program Costs: There will be administrative costs associated with both the FTIP and the FGP, however, the DDA will recoup a portion of its legal fees incurred in connection with each project.

Policy III: Eligible and Ineligible Improvements/Expenditures

A. Public Improvements: All improvements within a public right-of-way or easement are eligible for DDA funding.

B. Façade Improvements: All façade improvements that are eligible for DDA investment through the FTIP and the FGP shall front a public street, alley or pedestrian way, or shall face an important public place.

C. Eligible Façade Improvements/Expenditures: Façade improvements/expenditures that are eligible for DDA investment through either the FTIP or the FGP include the following:

1. New awning or the renovation/restoration of existing awning;
2. Masonry repair;
3. Reparation and replacement of architectural details or materials;
4. Rehabilitation or compatible reconstruction of storefronts;
5. Removal of exterior surfaces that cover historic façade materials;
6. Exterior lighting; and
7. Exterior façade painting and/or paint removal.

C. Ineligible Façade Improvements/Expenditures: Façade improvements/expenditures that are not eligible for DDA investment through either the FTIP or the FGP include the following:

1. Interior rehabilitation unless deemed essential to the building's façade improvements;
2. Interior decorations;
3. Refinancing of debt;
4. Inventory and equipment;
5. General or routine maintenance and cleaning;
6. Business operations expenses;
7. Improvements made prior to grant approval; and
8. Horizontal materials or roofing materials (i.e. materials not visible from the public right of way).



Policy IV: Project Evaluation Criteria

A. Evaluation Criteria: The Board shall use the following criteria to evaluate proposals for DDA funding of façade improvement projects:

1. Quality of materials: The use of real or authentic building materials in the construction or renovation of the façade is required. Materials should be high quality, long-lasting, and “timeless”. For example, faux stone, stone veneer, and EIFS are not considered quality material.
2. Pedestrian friendly street presence: The façade should be scaled to the pedestrian. The first floor should be permeable, with windows encompassing a significant portion of the frontage. Blank walls, minimal variation, and minimal articulation are not acceptable.
3. Timeless design: Designs should be high quality and timeless. This does not mean that designs should incorporate unauthentic historic elements. The DDA is not looking for imitations of historic buildings. Non-historic buildings can propose contemporary designs, as long as the design will not lose appeal in a short duration of time.
4. Historic fabric of the building and immediate environs: The DDA does not require historic rehabilitations but property owners should be aware that façade changes to some buildings may require review/approval by the Windsor Historic Preservation Commission (HPC). All historic buildings that are a Local Landmark, or on a State or National Register must receive HPC approval of the proposed façade changes prior to being scheduled for evaluation by the Board. Properties that are currently designated as a historic site/building are required to obtain a *Landmark Alteration Certificate* prior to issuance of a building permit.
5. Green building principles: Although green building practices may not always be applicable to façade improvements, the DDA actively encourages green building practices whenever possible. The Board looks for green building principles that exceed minimum adopted codes. Examples of green building certifications include US Green Building Council’s LEED rating program, Energy Star, Sustainable Sites Initiative, and similar programs.



6. Deconstruction: The Board encourages contractor documentation of deconstruction methods that achieve the goal of minimizing construction and demolition waste from entering the landfill.
7. Location: The location of a project may be a key factor if it advances a particular goal(s) of the DDA's mission.
8. Use: Depending upon the Board's present goals, a particular use may be advantageous or disadvantageous in meeting those goals.
9. Consistency with DDA Mission and Plan of Development: Façade improvement projects shall be consistent with the adopted mission of the DDA and the objectives and purposes of the DDA Plan of Development.

Policy V: Project Funding Guidelines

A. FTIP:

1. Funding Formula: The amount of the DDA's funding of a façade improvement project through the FTIP shall be the lowest of the three following factors, as depicted on the attached Funding Guidelines graph:
 - An amount equal to 10% of the total value of the façade improvement project (as determined by the Assessor's valuation);
 - An amount equal to supportable property tax increment funds generated by the façade improvement project (up to 25% contribution for residential and up to 50% for commercial); and
 - An amount equal to the total cost of the eligible features of façade improvement projects and any public improvements in the right-of-way.
2. Annual Reimbursement: The approved funding amount shall be paid in annual installments in accordance with an agreement with the DDA and based upon the actual property tax increment received by the DDA for the project.
3. Payment in Lieu: Façade improvement projects funded through the FTIP that do not generate sufficient annual property tax increment to reimburse the DDA for its investment shall be required to make a payment in lieu of annual property tax increment.



- B. FGP: The amount of DDA's funding of a façade improvement project through the FGP shall be a maximum of 25% of the total cost of the façade improvements, up to a maximum of \$20,000 per façade
- C. Timing: The approved funding for any project through either program shall not be paid until after the project is constructed and a Certificate of Occupancy or a Certificate of Completion is issued.

Policy VI: Administration of FTIP and FGP

- A. DDA Staff: The DDA staff shall be responsible for administration of the FTIP and the FGP and for development of appropriate procedures and forms to implement such programs in accordance with these policies. Copies of the forms utilized by the Fort Collins DDA are attached hereto as examples of the type of forms that may be necessary for administration of such programs.
- B. Standard Terms: Each DDA investment through either the FTIP or the FGP shall require the property owner to, among other things, enter into an agreement with the DDA, grant to the DDA a property easement interest in the improved façade based on the amount of the DDA's investment, subordinate all other property interests in the improved façade to the DDA's easement interest, purchase a title insurance policy insuring the DDA's property easement interest, provide ongoing maintenance of and insurance for the façade improvements and covenant against alterations of the approved façade improvements without the DDA's consent. Terms of the agreement and easement are typically based on the following schedule:

From \$1 to \$25,000	5 years
From \$25,001 to \$50,000	10 years
From \$50,001 to \$100,000	15 years
From \$100,001 to \$200,000	20 years

- C. Façade Monitoring Program: The DDA staff shall establish and administer a façade monitoring program for the purpose of ensuring compliance with the property owner's maintenance obligation and covenant against alterations during the term of the DDA's easement interest in each façade. A copy of the Façade Monitoring Program utilized by the Fort Collins DDA is attached hereto as an example of such program processes.



Policy VII: Discretion of the Board

The policies herein express the general intent and purpose of the Board regarding the Facade Improvement Program. The Board retains the right, in its sole discretion, to amend these policies to or vary their application to particular façade improvement projects provided that the overall result is consistent with the mission of the DDA and furtherance of the objectives and purposes of the DDA Plan of Development.

Attachments:

1. Funding Guidelines Graph
2. Procedural Guidelines and Application
3. Sample form for FTIP Project Commitment Worksheet
4. Sample form for FGP Project Commitment Worksheet
5. Project Commitment Terms
6. Closing Instructions for Project Owners
7. Facade Monitoring Program