

**PALESTINE ECONOMIC DEVELOPMENT CORPORATION
DOWNTOWN GRANT PROGRAM GUIDELINES**

Section 1. Sponsor

Palestine Economic Development Corporation (PEDC)

Section 2. Purpose

The purpose of this Program is to enhance the economic vitality of the City of Palestine by encouraging visually appealing physical improvements to distressed property located within the downtown area of Palestine, TX. Eligible properties must reside within the city limits of Palestine, Texas, and within the areas highlighted on the area map included in this packet. Rehabilitation to properties located within the City of Palestine downtown district, which possess historic significance, must meet the city's requirement of preserving those portions or features which convey its historical, cultural, or architectural values.

Section 3. Grant Type

A. FAÇADE IMPROVEMENT:

1. **Principal Façade:** Improvements to the exterior portion of a building or structure which contains the principal entrance(s) of the building that is visible from the public right of way. Improvements including, but not limited to, items such as removal of non-contributing false façade, painting, reconstruction, rehabilitation and preservation of the façade, building cleaning, tuck pointing masonry, renovation or replacement of exterior lighting, awnings or other similar improvement (must be in conjunction with other façade improvements).

Up to 50% matching grant for the actual, eligible costs, with maximum of \$25,000

2. **Side (or rear) Façade:** Any exterior portion of a building or structure, not including the primary façade, but that is *visible from the public right of way*.

Up to 50% matching grant for the actual, eligible costs, with maximum of \$7,500

- B. BUILDING STABILIZATION:** Roof replacement and/or repair; Interior structural improvements (floor joists, ceiling repairs or other similar improvements); Building systems improvements (electrical, plumbing, HVAC); other improvements for building stabilization as approved by PEDC Board.

Up to 50% matching grant for the actual, eligible costs, with maximum of \$25,000

- C. SIGN IMPROVEMENTS*:** New signs, renovation or removal of existing signs. Signage must meet the requirements of the City of Palestine signage ordinances. Permitting will be required. *Must be in conjunction with a façade improvement project.

Up to a 50% matching grant with maximum of \$5,000

- D. PROPERTY IMPROVEMENT:** Items such as landscaping, fencing, sidewalk and driveway improvement, and parking lot improvements that are visible from the public right of way.

Up to a 50% matching grant with maximum of \$10,000

- E. DEMOLITION IMPROVEMENT:** Demolition of structures.

Up to 50% matching grant for the actual, eligible costs, with maximum of \$10,000

- F. RECURRING ADDRESS APPLICANT:** Applicants that have received funding in prior grant years, for same location address, will only be eligible for one subsequent matching grant.

Up to a 50% matching grant, with maximum of \$10,000.

Section 4. Eligible Area (See Beautification Area Map)

- A. Any existing commercial structure within the Palestine City Limits and located in the façade improvement downtown area as shown on Exhibit A.

Section 5. Application & Approval

- A. Applications must be made on a form provided by PEDC, and may be obtained at the Palestine Economic Development Corporation office located at 100 Willow Creek Parkway, Suite A, Palestine, Texas 75801 or on the PEDC website at www.palestinetexas.net.
- B. One (1) original and one (1) copy of an application must be submitted to the PEDC office located at 100 Willow Creek Parkway, Suite A, Palestine, Texas 75801.
- C. Proof of ownership (i.e., Warranty Deed) of the property will be required of Applicants.
- D. An Applicant operating in a leased facility must apply jointly with property owner. Copies of an executed lease agreement and proof of ownership will be required.
- E. All applications must contain competitive cost estimates (bids) from a minimum of two (2) independent, qualified contractors or suppliers. Detailed cost estimates, including material types, paint color samples and finishes are required.
- F. PEDC may request additional information or clarification from Applicant.
- G. Application should include photos of the existing condition to be improved and a rendering of improvements to be made.
- H. PEDC may approve an application grant with provisions, conditions, or other requirements as it may from time to time deem appropriate.
- I. Applicants will be notified in writing of PEDC's approval or disapproval of an application. If approved, a Grant Agreement will be presented to Applicant for signature.
- J. PEDC will present approved applications to the City of Palestine City Council for final approval.

Applications that do not receive City Council approval shall be deemed as denied.

Section 6: Restrictions

- A. Labor provided by the Applicant or his/her employees may not be included in the cost estimate of the project and is not reimbursable through this Grant Program, as grants provided are reimbursement grants, for a cash match of funds expended by an Applicant, not to exceed the amounts set out in Section 3.
- B. Grant funding will be limited to one (1) grant to any one (1) Applicant or joint Applicant during a calendar year. Grant funding for recurring address applicants will be limited to one (1) subsequent grant. **Total possible funding per grant application is \$25,000 maximum for first time applicants and \$10,000 maximum for recurring address applicants.**
- C. Business facilities also serving as a residence are not eligible, regardless of the size of the residential area.
- D. Applicants, businesses and/or property owners which owe outstanding financial obligations to PEDC or the City of Palestine, such as liens, court fines, city utility bills, or delinquent sales or property taxes are not eligible.

- E. Applicants, business and/or property owners with threatened, contemplated or active lawsuit or other legal administrative or dispute resolution proceeding against the PEDC or the City of Palestine are not eligible.
- F. Improvements must be made in accordance with project drawings, specifications, and information provided in the application, and as approved by PEDC. Any modifications to the scope of any proposed improvements shall be subject to PEDC and City Council review.
- G. Applicant must obtain all applicable permits related to the improvement project.
- H. Applicant may not knowingly employ an “undocumented worker” as that term is defined by Tex. Gov’t. Code Sec. 2264.001.
- I. If landscaping is considered as part of the grant, an underground irrigation system shall be installed and landscaping shall be irrigated and maintained and warranted by the Applicant for a minimum of one (1) year from the date of installation to be replaced by Applicant if the landscaping becomes diseased, damaged, or dies.
- J. Improvements **may not commence prior to** having received written approval for a grant from PEDC, execution of a Grant Agreement and approval of the City of Palestine City Council.
- K. Improvements must commence within ninety (90) days of grant approval and must be completed within six (6) months of the approval of the Grant Agreement by PEDC and the City of Palestine unless otherwise agreed in writing. Recipient may request a one time thirty (30) day extension for commencement, and a one time three (3) month extension to complete the project. Projects not completed within nine (9) months of approval will expire and will require resubmittal of new grant application for consideration of reinstatement of grant.
- L. Grants are subject to final approval by the City of Palestine City Council. Applications that do not receive City Council approval shall be deemed as denied.
- M. Applicant shall fully comply with all federal and Texas laws which includes but is not limited to Applicant’s compliance with Title VII, Civil Rights Act of 1964, as amended, the Texas Labor Code, the Drug Free Workplace Act of 1988, and the Americans with Disabilities Act, as well as Applicant’s refraining from discrimination of persons based on race, color, religion, sex (including pregnancy, childbirth, and related medical conditions; sexual orientation), national origin, disability, age, citizenship status, genetic information, political affiliation or participation in civil rights activities. Furthermore, while the City of Palestine fully supports the exercise of freedom of speech, the City of Palestine will not financially support or fund projects that incorporate or promote ideas of hate or which are intended to vilify, humiliate, or incite hatred against a group or a class of persons on the basis of race, religion, skin color, sexual identity, gender identity, ethnicity, disability or national origin.

Section 7. Evaluation of Applications

- A. PEDC reserves the sole discretion to recommend or deny approval of a grant application to city council. The Applicant accepts that decisions relating to the recommendation to award grant funds involves subjective judgments on the part of PEDC, including the aesthetics of the proposed project, the proposed project as an improvement to the property, the benefit to the City of Palestine, total funds to be expended by Applicant, productive life of improvements and the availability of funds budgeted by PEDC.
- B. The following factors shall be considered in determining whether or not to award grant:
Visual Impact: Improvement in the attractiveness of the location and the level of blight or deterioration removed; paint color/sign design chosen is/are tasteful and consistent with surrounding businesses; paint

chips/sign material/landscaping materials are to be submitted with application and final project must reflect what was submitted and approved; level of improvement impact on overall appearance of facility.

Economic Impact: Amount of additional funding expended by business; appropriateness of business to overall economic development in the surrounding neighborhood; improvements that add to the tax roll value, traffic level of roadways adjacent to improvement; mitigation of health and safety issues; reuse of vacant or underutilized property.

- C. PEDC reserves the right to utilize outside resources it deems necessary for assistance in its decision-making process.
- D. PEDC reserves the right to waive any requirement(s) herein contained, and/or add any requirements it deems appropriate in making its determination of approval or disapproval of a grant application.

Applicants will be scored on the following basis:

Evaluation Criteria	Maximum Points
Distressed Property	30*
Increase to the property tax roll value	30
Visual Appeal	20
Historic Preservation	20
Total	100

*Level of Distress

0-10 points if property has minimal distress

11-20 points if property has moderate distress

21-30 points if property has severe distress

The PEDC Downtown Grant Committee will score points on the criteria listed above. Projects may receive points for all, partial or none of the criteria. For example, a project that improves the city's visual appeal could receive from zero to 20 points.

For projects to be considered for funding, the targeted minimum points necessary will be 30 points.

Section 8. Funding

- A. Applicant shall provide PEDC with written notification and verification of project completion by letter stating that all improvements have been completed in accordance with the application, approval and Grant Agreement, and that full payments have been made for all labor and materials with attached paid receipts for materials and labor, cancelled checks, required permits, inspection reports, release of liens and project photographs. Incomplete improvements will render the application ineligible for grant funding.
- B. Upon the PEDC's receipt of a notification of completion, an on-site inspection may be made by a representative or representatives of PEDC. Such inspection shall not be considered in any way as a reflection of PEDC's approval on the quality, safety, or reliability of the improvements, such being the sole responsibility of Applicant.
- C. Following on-site inspection, PEDC will review the findings and request additional information, if needed, and notify the Applicant of compliance or items of non-compliance. Failure to correct the items of non-compliance within thirty (30) days of notice thereof shall be cause for cancellation of the Grant Agreement.
- D. Upon a finding by the PEDC board of directors of project completion and approval, payment of the grant funds will be made.

Section 9. General

- A. The PEDC Board and City of Palestine City council reserves the right to amend or end this Grant Program as it may from time to time find desirable.
- B. This Grant Program does not vest any person with any legal rights not related to the enforcement of a Grant Agreement executed pursuant to this Grant Program.
- C. The provision or delivery of these guidelines and criteria to an interested party does not constitute an offer of an improvement grant to that party.
- D. The adoption of these guidelines and criteria does not limit PEDC's discretion whether to recommend or deny a grant to an applicant, which absolute right of discretion PEDC and the City of Palestine City Council reserves, whether or not such discretion may be deemed arbitrary or without basis of fact.
- E. The adoption of these guidelines and criteria does not create any property, contract, or other legal rights in any person to have PEDC provide grant funding.
- F. PEDC, ITS EMPLOYEES, AND ITS AGENTS, DO NOT ATTEST TO THE QUALITY, SAFETY, OR CONSTRUCTION OF A PROJECT ELIGIBLE FOR, OR RECEIVING GRANT FUNDING. THEREFORE, PEDC, ITS EMPLOYEES AND AGENTS SHALL BE HELD HARMLESS BY THE APPLICANT/APPLICANTS FOR ANY PROJECT WHOSE APPLICATION HAS BEEN APPROVED OR HAS RECEIVED ACTUAL GRANT FUNDING.**