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City of Meriden Economic Development Department Meriden Match Program Description and Pre-Application Form

Program Description

The **Meriden Match Program** is being launched to provide forgivable loans to commercial property and business owners located in downtown Meriden. Funding can be used by property owners and business owners to make physical improvements to the exterior façade of their buildings, restore the character of historic buildings, encourage private investment in storefront improvement, encourage new business activity, and create a downtown inviting to continued economic development opportunities.

Funding

\$100,000 in funding for the program was approved by the US Department of Housing and Urban Development (HUD) under the Community Development Block Grant Program (CDBG) Year 43 (July 1, 2017 through June 30, 2018). An additional \$136,000 in CDBG funding for the program will be allocated in Year 44, pending HUD approval.

Program Goal

The goal of the Meriden Match program is to help encourage economic development and improve quality of life in downtown Meriden, an area containing high concentrations of low and moderate-income residents and aged properties.

Eligibility Requirements

- Priority will be given to any commercial or mixed-use property owner or business owner in the City's Transit Oriented Development District.
- Projects located in a low or moderate income census tract located within the Meriden City limits will also be given consideration.
- Applicants must be current on property tax bills, water/sewer bills and any other forms of indebtedness to the City of Meriden at time an award.
- Entities with pending litigation against the City of Meriden are ineligible to apply for the Program.
- Business owners who do not own the building they occupy may apply to the program, however signoff from the property owner will be required as a condition of approval.
- A business owner and a property owner may both apply for funding.
- Outstanding building and fire code violations must be resolved before applying to the Program.
- For sign and awning projects, tenant must have at least one (1) year remaining on lease at location of proposed project, and/or an option to renew for at least one (1) year.
- For the purposes of this Program, "façade" is defined as the visible portion of a building that looks on to a public thoroughfare or open space.

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Who Can Apply?

- For-profit Sole Proprietorships , General Partnerships, Limited Partnerships (LP), Limited Liability Partnerships (LLP), Corporations (Inc., Corp.), Limited Liability Companies (LLC). Not-for-profit organizations are ineligible to apply for the building owner competition.
- First time businesses or existing businesses looking to expand to a new location.
- Home-based businesses looking to locate in a commercial property are eligible to apply.
- Temporary business establishments (pop-ups) or permanent business establishments.
- Faith-based organizations, subject to 24 CFR § 570.2000.
- Independently owned businesses that participate in retailers' cooperatives are eligible to apply; however, franchises are not eligible.
- Businesses looking to relocate may be eligible to apply if the recipient shall minimize, to the extent practicable, displacement of existing businesses and jobs in their previous location and provide proof through documentation.

Businesses must meet the minimum conditions to be considered:

- Approved applications must demonstrate a benefit to a low-to-moderate income community.
- Applicants must be in good standing with the City of Meriden, State of Connecticut, and Internal Revenue Service.
- Businesses must be formed or incorporated before applications are submitted.
- Approved applications are required to meet environmental review requirements and procurement regulations related to the use of federal Community Development Block Grant Funds.

Businesses being considered for awards must agree to the following:

- Businesses must locate within the City of Meriden for at least 2 years.
- Full participation in relevant technical assistance programs and completion of all award requirements.
- Willingness to coordinate with financing professionals to assist in the underwriting and financing of the project. Personal financial statements, tax returns, and other financial documents may be requested for consideration of technical assistance awards and are required for consideration for grants and loans.

When/How to Apply?

Applicants must submit the Pre-Application (attached) to the City of Meriden. Applications will be accepted on a rolling basis. The Economic Development Department will maintain a waiting list of eligible applicants.

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To download a copy of the application please visit:

<http://www.meriden2020.com/Business/meriden-match/> .

Eligible Project Costs

Eligible project costs are defined as costs incurred by an independent contractor, hired through an approved procurement process or by the City of Meriden, to make improvements and/or repairs to the eligible commercial or mixed-used buildings in the City's Transit Oriented Development District and direct costs associated with these approved activities. Façade rehabilitation work performed by the applicant will not be eligible for reimbursement through this Program. Work performed prior to the execution of an Agreement between the City of Meriden and Applicant is not eligible for reimbursement through this Program. Eligible improvements must be permanent.

Eligible costs may include, but are not limited to:

- Window and/or door repair or replacement;
- Removal and replacement of siding;
- Cleaning or painting exterior surfaces;
- Repair or restoration of exterior architectural detailing;
- Repair or replacement of awnings, signs or cornices;
- Building permits and architectural fees associated with rehabilitation project;
- Removal of architectural barriers which restrict access by handicapped persons;

Ineligible project costs and activities include:

- Interior repairs not related to exterior improvement;
- New building construction;
- Work performed prior to fully executed loan agreement; and
- Purchase of property and/or equipment;
- Decorative, seasonal projects.

Application Scoring, Evaluation and Selection Process

Applications will be reviewed by an evaluation committee and evaluated for compliance with the Program guidelines and relevant federal regulations associated with the use of Community Development Block Grant (CDBG) funds. Projects will be scored in each of the following categories:

- Visual prominence of the project within the streetscape, including the current condition of the building;
- Cost/Benefit Value, including amount of matching funds (minimum 50% of total project cost required);
- Vision and plan for the business based on the soundness, completeness and creativity of the concept;
- Historic Preservation;

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- Experience of the business owner and key members included in the project application;
- Capacity of the applicant to fully execute the project in timely matter
- Project Readiness;

Terms/Funding:

- Funding is available to property and business owners in the form of a forgivable, zero-interest loan. Loans will be forgiven over a five-year compliance period at twenty percent (20%) per year.
- Loans are not to exceed **\$10,000.00 per eligible applicant**. An applicant may be a business owner or a property owner.
- An applicant that is both a property owner and business owner (located at the same site) can apply for a maximum of **\$20,000 per project**.
- Loan recipients must contribute a minimum match of at least fifty percent (50%) of the total project cost. Increased match contribution will improve an applicant's score during the City's application review and ranking process.
- All rehabilitation work will be coordinated with the City of Meriden to ensure compliance with local, state, and federal labor, procurement and environmental regulations.

Funding for the Meriden Match Program will come from annual awards from the City of Meriden's Community Development Block Grant Program (CDBG). Funding for loans is available to applicants on a first-come, first-served basis. The Economic Development Department will maintain a waiting list of eligible applicants once funding has been fully expended. The Economic Development Department, as the managing agent of Program, will be responsible for applying for CDBG funds to support the Program on an annual basis.

For additional information regarding eligibility requirements, the application process, and the program in general, please review the Meriden Match Program's Policies & Procedures. They can be found at <http://www.meriden2020.com/Business/meriden-match/>.

Underwriting Fundamentals:

1. The project costs must be considered reasonable as determined by the Meriden Match selection committee.
2. All sources of the project financing must be committed. Prior to Meriden Match's commitment to award, business and property owners will work with Meriden Match financial partners and technical assistance team to:
 - a) Verify that sufficient sources of funds have been identified to finance the project including opportunities to receive financing from Meriden Match lending partners ;
 - b) All participating parties providing those funds have affirmed their intention to make the funds available; and
3. The participating parties have the financial capacity to provide the funds.

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4. There must be a minimum 50% investment towards project costs. This requirement can be lowered to 25% based on demonstrated financial hardship by the applicant.
5. Personal guarantees may be required prior to the receipt of funds under this program.

Required Documentation prior to project approval

The City of Meriden retains the right to request the following information prior to a funding award.

- Project narrative/description or a brief Business Plan (two-page maximum)
- Documentation of property ownership (if property owner is the applicant)
- Documentation of an Executed Lease for 24 months (if tenant is the applicant)
- Construction design, sketch, layout
- Copies of three (3) estimates for work to be done
- Business financials and/or projections
- Business organization documents
- Personal financial statement
- Applications to include: photo of property, drawings/renderings if available, written description of proposed improvements, including color/materials

HUD Objective:

Meriden Match is funded in part by the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant ("CDBG") Program. As such, the Program must satisfy the Low- and moderate-income (Low/Mod) Area Benefit (LMA) National Objective found at §570.208(a)(1) of Code of Federal Regulations. Therefore the applicant must be able to demonstrate that the project provides a benefit for low to moderate-income ("LMI") persons on an area wide basis. An area benefit activity is one that benefits all residents in a particular service area, where at least 51% of the residents are LMI persons. Additionally,

- All projects are subject to HUD's environmental review procedures found at 24 CFR Part 58. The Economic Development Department is the responsible entity for conducting environmental reviews, inclusive of historic preservation. No project may commence until the City has completed a satisfactory environmental review.
- All projects are subject to Davis-Bacon prevailing wage rates.
- Financial requirements include documentation of all costs incurred, including to subcontractors or other requirements.
- All other HUD requirements for procurement, conflicts of interest, or other regulations as applicable to this Program, will be enforced.

Next Steps:

- 1) **Complete a Pre-application form attached and submit to the City of Meriden Office of Economic Development, Room 218, City Hall, 142 East Main Street, Meriden CT 06450. Email applications will be accepted with signatures provided.**

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- 2) **Provide any questions, in writing to: Matt Sarcione, msarcione@meridenct.gov.**

- 3) **City will contact you within 45 days to further discuss your proposal. The following may be required as a part of the pre-award or post award process.**
 - Pre-construction meeting required with building owner, City staff, and contractor.
 - City will execute an agreement with each project awardee for the project included in the application. Projects may not be re-scoped without prior authorization by the City.
 - The project awardee must be current with tax/water/sewer bills; maintain property and keep free of code/blight violations.
 - Invoices are subject to review and inspecting by the City.

 - Work must be completed within a reasonable date of agreement between City and applicant (suggested within 180 days from award).

 - Good Luck!

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City of Meriden Economic Development Department Meriden Match Program Pre-Application Form

I. Applicant Information

Name of Applicant: _____

Are you a property owner or tenant? _____ Property Owner

_____ Tenant

_____ Both

Name of Applicant's Business: _____

FEIN: _____

DUNS #: _____

Applicant's Phone Number: _____

Address of Business Being Rehabilitated: _____

Address of Building Owner: _____

Name of Building Owner: _____

Building Owner's Phone Number: _____

II. Project Description

A. Briefly describe the scope of work of this project.

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B. What is your vision for your building or space? Why is funding needed at this time?

C. Briefly explain your experience with similar projects and list/describe other team members that will help you with this project

III. Project Budget

Amount Requested \$ _____

Applicant Contribution: \$ _____

TOTAL Project Cost: \$ _____

IV. Project Implementation Schedule

Please provide a timeline for the proposed rehabilitation work. List key tasks by date. Attach additional pages if necessary.

V. Applicant Certification

I attest the information to be true and accurate to the best of my knowledge (signatures require)

_____ **Business Owner**

_____ **Property Owner**

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VI. Other Supporting documents

Please provide the following documents as attachments to the application:

- Photo of property
- Drawings/renderings if available
- Brief written description of proposed improvements, including color/materials
- Any other information that you feel we should know about

Please submit 5 copies of your application to:

City of Meriden, Department of Economic Development

142 East Main Street

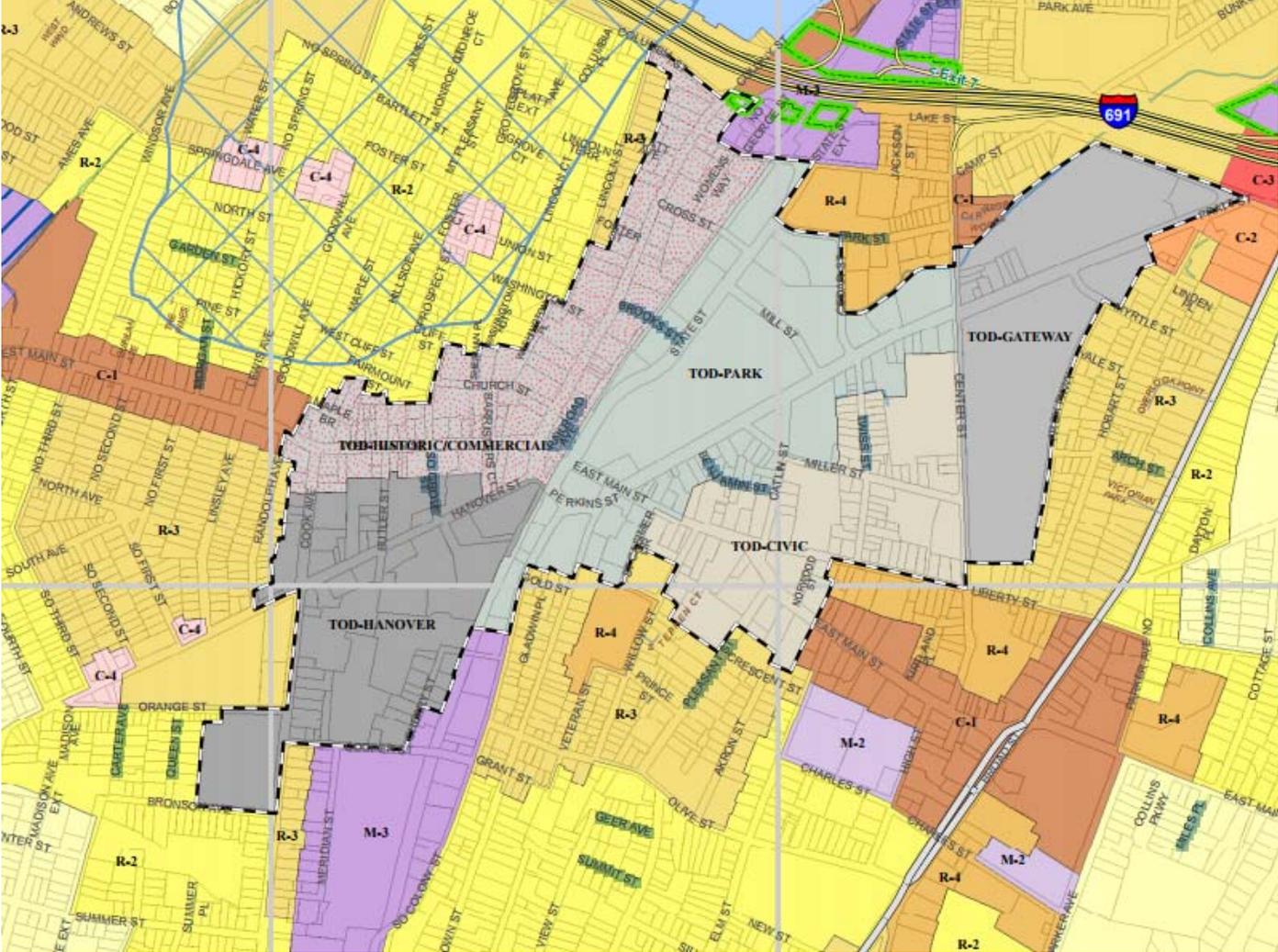
Room 218

Meriden, CT 06450

Applications can also be submitted via email to: msarcione@meridenct.gov

Target Area Maps

Transit Oriented Development District



Low/Moderate Income Census Tracts Map (2010)

