



City of Chaska Economic Development Authority (EDA) Storefront Improvement Program

Purpose

The purpose of the Storefront Improvement Program is to encourage restoration of downtown building facades and to strengthen the overall visible retail services within the downtown area. The EDA, with the assistance of SayHey5k, is offering two programs to assist with this goal:

- Matching grants of up to \$2,500 for new sign and awnings; and
- Low-interest loans of up to \$50,000 for larger storefront rehabilitation projects with \$500 architectural grant to assist with plan.

Objectives

Assistance is intended to encourage investment in downtown buildings that may not normally occur. More specifically, the program's objectives are to:

1. Restore the historic atmosphere of the downtown area;
2. Enhance the City's sense of community by creating a strong and visible retail service center in the downtown area;
3. Increase the pace of downtown development that would not normally occur unless the market produced such development; and
4. Keep businesses from relocating who would otherwise find it economically difficult to continue providing service in the downtown area without improvements to the exterior appearance of their building.

Who's Eligible?

The Storefront Improvement Program is available to any business that is located within Chaska's Downtown Business District. The district is defined as the area between Chaska Boulevard and First Street, with its western border being Pine Street, and its eastern border being Walnut Street.

Projects eligible for financial assistance through either Storefront Improvement Program shall include projects that improve the general appearance of a downtown building's exterior. Such improvements would include, but are not limited to:

- Restoration of the building's historic façade or architectural elements;
- Restoration or replacement of the building's historic windows and/or doors;
- General cleaning or replacement of deteriorated bricks and/or walls; and
- New or restoration of signage and/or awnings.

Minimum and Desired Qualifications

Because of the limited amount of financial assistance available, special attention will be placed on providing the grants and loans to businesses whose plans enhance the appearance of the downtown business district through exterior renovations. All businesses that are considered must meet each of the minimum qualifications listed below and will also be evaluated based on their ability to meet the desired qualifications for assistance. Please note that a project meeting one, some, or all of the qualifications creates no contractual obligations on the part of EDA to approve a developer's project.

Special consideration will be given to projects that follow the recommendations of the *Historic Chaska Downtown Preservation Design Manual AND Downtown Chaska Signage Design Guidelines*. It is the intent of the EDA that if a proposed storefront remodeling project meets the recommendations of the Preservation Design Manual and/or Signage Design Guidelines, that A and B in the Minimum Qualifications below will be considered to have been met, and the project application can be reviewed administratively. The project shall only need to go through a Staff review project---these project applications shall receive top priority for funding under the Storefront Improvement Program.

Minimum Qualifications:

- A. Meet one or more of the aforementioned Storefront Improvement Program Objectives.
- B. The project must be consistent with the City's Comprehensive Plan and Zoning Ordinances. The Planning Department will make the determination as to whether the project's proposal is consistent with the Comprehensive Plan and Zoning Ordinances.
- C. The developer must provide adequate financial guarantees to ensure the matching grant and/or repayment of the loan and completion of the project. The developer must also provide evidence of financing.
- D. The developer should retain ownership of the project long enough to complete the approved plans, to stabilize its occupancy, and to initiate repayment of the Storefront Improvement Loan, if utilized.
- E. The developer must have project plans approved by the City. This approval will first be made by the Planning Department before the project is financially considered for a matching grant or loan by the EDA.

Desired Qualifications:

- A. Preference will be given to projects that propose to implement the recommendations of the Preservation Design Manual and Signage Design Guidelines.
- B. Preference will be given to those projects that involve the restoration of a building that is designated as “historically significant” as determined by the City’s Planning Department.
- C. Preference will be given to projects that have utilized professional architects and designers to produce plans.
- D. Preference will be given to projects that require significant improvements or restoration. These building would likely be considered a significant “eye sore” in the downtown area without such renovation.

Application and Evaluation Process---Matching Grant

The application and evaluation process for the Storefront Improvement Matching Grant and Storefront Improvement Loan are different. For the grant, which is specifically for sign/awning improvements, it is fairly straight forward:

Procedures for applying for the Storefront Improvement Matching Grant:

- 1. Meet with the Planning Department and receive/review Chaska Downtown Preservation Design Manual AND Downtown Chaska Signage Design Guidelines.
- 2. Complete application for Sign/Awning Matching Grant and submit to the Economic Development Director.
- 3. Planning Staff will review the application. If the application is complete and if the project is determined to be consistent with the Downtown Design Manual and/or the Signage Design Guidelines and meet the Storefront Improvement Program Objectives, the notification of approval will be sent to the applicant. *This approval will be able to come directly from the Economic Development Director and will not need to go before the Board for approval.*
- 4. Upon completion of the project and evidence of the matching funds, matching grant funds up to \$2,500 will be reimbursed by the Economic Development Director.

Application and Evaluation Process---Storefront Loan

For the loan program, it is a two-part process. The initial phase includes providing qualified projects with a \$500 architectural grant to explore the feasibility of their project. The second phase includes approving the applicant for the actual low-interest loan. By utilizing this two-part process, the applicant is able to explore the financial and architectural feasibility of their project before a great deal of time and money are invested into the project.

Procedures for applying for the Storefront Improvement Loan:

Part I : Receiving the Initial \$500 Architectural Feasibility Grant

1. Complete application for Initial Architectural Feasibility Grant and submit to the Economic Development Director.
2. Meet with the Planning Department staff to discuss the initial plans for rehabilitation of the building, including design ideas and the timeline for rehabilitation.
3. If the Planning Department approves the initial rehabilitation plans, the applicant shall submit the application for the Initial Architectural Feasibility Grant (with the signature of a Planning Department staff member) to the Economic Development Director.
4. The applicant shall meet with the Economic Development Director to discuss the initial financing plan for improvements, including the amount of private investment.
5. If the project is determined to be both architecturally and financially feasible, the EDA shall award a \$500 architectural grant to the developer to explore the architectural feasibility of the project. *This approval will be able to come directly from the Economic Development Director, and will not need to go before the Board for approval.*

Part II: Receiving the Storefront Improvement Loan

1. After completing the initial feasibility study for the project, the applicant shall submit a completed application for the Storefront Improvement Loan to the Economic Development Director. The application should be submitted along with the site and building plans that are being proposed for the building's rehabilitation.
2. The applicant shall meet with Planning Department staff to review the architectural design for the building. Planning staff will be evaluating the plans for consistency with the City's Comprehensive Plan, to determine the architectural relationship with other downtown structures, and the ability to restore the building's exterior to its historic nature. Planning staff will use this meeting to make suggestions to the applicant and the architect as to the desired appearance of the project.
3. If Planning Staff feels the project is "quality" in nature, they will bring the site and building plans to the HPC and Planning Commission for approval. The applicant will then submit the approved application (with signature of approval from a member of the Planning Staff) to the Economic Development Director. If a proposed plan meets the recommendations of the *Preservation Design Manual* and *Signage Design Guidelines*, the project application shall not need to go through the formal HPC and Planning Commission approvals.

Note: Not until a project has been approved by the Planning Staff shall the Economic Development Director begin the process of awarding this Storefront Rehabilitation Loan.

- Applicants shall meet with the Economic Development Director to determine the amount of assistance the City will be able to award the project through their Storefront Rehabilitation Loan program. Financial assistance will be based on the following formula:

Building Sq. Footage	Max. Loan Amount
5,000 sq. foot or less	\$25,000
Over 50,000	\$50,000

Interest Rate	Type of Loan
3% below prime, but no lower than 4%	Direct Loan w/No Private Investment
3%	Matching private to Public Funds (50/50)
2%	Matching Private to Public Funds (75/25)

- After the Economic Development Director determines the amount of assistance a project will be able to receive, a loan agreement will be drafted for approval by the EDA along with the final site and building plans.
- After the EDA has approved the loan agreement and has approved the final site and building plans for the project, a closing will be scheduled to sign the loan agreement and the necessary disbursing of funds will be made.



**Application for Storefront Improvement
Matching Grant for Signs/Awnings
City of Chaska EDA**



Applicant

Business name: _____

Address: _____

Telephone: _____

Business owners/partners: _____

Sign/Awning Company: _____ Phone: _____

Contact person: _____ Contact's phone: _____

Brief description of how business, business history, principle service/product, etc.:

Proposed Project

All applicants must submit a copy of the proposed sign/awning plans.

Describe project and need (Please be sure to include if project meets recommendations of the Preservation Design Manual and Signage Design Guidelines):

Location of Project:

Describe expected implications of renovation upon business and sales:

Describe expected benefit of renovation upon the historic nature of Chaska’s downtown and upon neighboring businesses:

SayHey5k, a non-profit Chaska organization, funds a significant portion of the Matching Grant Program. Please circle “Yes” or “No” if you would be willing to put the SayHey5k logo somewhere on your sign and/or awning. If you circle yes, we will connect you with a representative of SayHey5k. Please note that your answer to this question will not impact the status of your application.

Yes No

Projected Costs

In the space below or on a separate piece of paper, please itemize the projected costs of this project. Also include the source of these renovation estimates.

Construction and Design

Target Dates:

Start of construction: _____

Construction completion: _____

The undersigned, _____, of applicant, hereby represents and warrants to the City that (she)(he) has carefully reviewed this application, and that the statements and information contained herein and submitted herewith are accurate and complete to the best of the undersigned’s knowledge and belief.

Dated: _____

Applicant

The City reserves the right to require additional information and supporting data from the applicant after the filing of this application.

Staff Approval of Project for Storefront Improvement Matching Grant

Representative of the Planning Department: _____ Date: _____

Economic Development Director: _____ Date: _____



**Application for Initial Architectural
Feasibility Grant**
Storefront Improvement Loan Program
City of Chaska EDA



Legal name of applicant: _____

Address: _____

Telephone number: _____

Name of contact person: _____

Requested Information

Addendum shall be attached hereto addressing in detail the following:

1. A current picture and description of the building attached to a map illustrating its location in the downtown area.
2. A general description of the business type or use of this building.
3. A general description of the project, including the proposed changes to the building and how it will help restore the historic integrity of the building, timing of the project, projected benefits for business from renovation, projected benefits to surrounding buildings from renovation, and estimated market value following completion of the renovations.
4. A statement identifying how the Storefront Rehabilitation Loan will be used and why it is necessary to complete this project.
5. A statement identifying the proposed financing sources of the project.
6. A short description of the developer's business, business principles, past projects and future plans for the business.

Signatures

Planning Department Representative: _____ Date: _____

Economic Development Director: _____ Date: _____

Applicant: _____ Date: _____



**Application for Storefront
Improvement Loan
City of Chaska EDA**



Applicant

Business name: _____

Address: _____

Telephone: _____

Business owners/partners: _____

Architect: _____ Phone: _____

Contact person: _____ Contact's phone: _____

Contact's title: _____

Years in operation: _____

Sales/revenues: _____

Brief description of business, business history, principle service/product, etc.:

Has applicant ever filed for bankruptcy? **Yes** _____ **No** _____

If yes, provide details on separate page(s).

Has applicant ever defaulted on any bond or mortgage commitment? **Yes** _____ **No** _____

If yes, provide details on separate page(s).

Does applicant have commitments for conventional financing for the project? **Yes** _____ **No** _____

If yes, please describe the financing plan for this project and any financial institutions that will be providing financial assistance on separate page(s).

Please list two financing references (Name/Address/Contact/Phone):

Proposed Project

All applicants must submit a copy of the architect’s building and site plans.

Describe project (Please be sure to include if project meets recommendations of the *Preservation Design Manual*):

Location of Project:

Results of initial feasibility study for project:

Building plan attached: **Yes** _____ **No** _____

Describe expected implications of renovation upon business and sales:

Describe expected benefit of renovation upon the historic nature of Chaska’s downtown and upon neighboring businesses:

Projected Costs

In the space below, please itemize the projected costs of this project. Also include the source of these renovation estimates.

Source of Financing

In the space below, please itemize the sources of financing you will use to complete this project, including specific amounts for financing and from which financial institutions this financing will come (if any). When including information about financial institutions, please include the name, address, contact, and phone number of this institution.

Construction and Design

Name of architect, engineer and contractor for project:

Target Dates:

Start of construction: _____

Construction completion: _____

Estimated Finished Market Value of Building: _____

The undersigned, _____, of applicant, hereby represents and warrants to the City that (she)(he) has carefully reviewed this application, and that the statements and information contained herein and submitted herewith are accurate and complete to the best of the undersigned's knowledge and belief.

Dated: _____
Applicant

The City reserves the right to require additional information and supporting data from the applicant after the filing of this application.

Staff Approval of Project for Storefront Improvement Loan

Representative of the Planning Department: _____ Date: _____

Economic Development Director: _____ Date: _____