

AGENDA
ECONOMIC DEVELOPMENT AUTHORITY
SEPTEMBER 20, 2021

1. CALL TO ORDER

2. CONSENT ITEMS

A. Minutes – September 7, 2021

Motion by _____ seconded by _____ to
approve, table or deny the Consent Items as presented.

3. REGULAR ITEMS

A. Façade Improvement Grant Program Creation - EDA Resolution No. 31

Motion by _____ seconded by _____ to
approve, postpone, table or deny

4. ADJOURNMENT

Motion by _____ seconded by _____ to
adjourn.

Meeting adjourned at _____.

Maple Grove Economic Development Authority

DRAFT Meeting Minutes

September 7, 2021

DRAFT

(Delete this when final edits are complete)

Call to Order

Pursuant to call and notice thereof, an Economic Development Authority Meeting of the Maple Grove City Council was held at 7:30 p.m. on September 7, 2021 at the Maple Grove Government Center/Public Safety Facility, Hennepin County, Minnesota.

Members present were President Mark Steffenson, Vice President Karen Jaeger, Secretary Heidi Nelson, Treasurer Judy Hanson, and Commissioners Phil Leith and Kristy Barnett. Absent was none. Present also were Ken Ashfeld, Director of Public Works/City Engineer; Greg Sticha, Finance Director; Brett Angell, Economic Development Manager; and Justin Templin, City Attorney.

President Steffenson called the meeting to order at 8:46 p.m.

**Approval of
June 7, 2021
Minutes**

Motion by Vice President Jaeger, seconded by Commissioner Leith, to approve the June 7, 2021 Economic Development Authority meeting minutes. Upon call of the motion by President Steffenson, there were five ayes and no nays. Motion carried.

**Adopt
Proposed
EDA/HRA
Tax Levy**

Finance Director Sticha requested the Commission adopt the proposed EDA/HRA tax levy. He noted the levy was for \$150,000, which was the same amount that has been approved each year since 1999. He reported staff was not proposing to make any changes to the EDA housing program at this time.

**EDA
Resolution No.
30**

Motion by President Steffenson, seconded by Commissioner Barnett, to approve deny adopting EDA Resolution No. 30 setting a proposed tax levy for 2022. Upon call of the motion by President Steffenson, there were five ayes and no nays. Motion carried.

Adjournment

Motion by Vice President Jaeger, seconded by Commissioner Barnett, to adjourn to the City Council

meeting. Upon call of the motion by President Steffenson, there were five ayes and no nays. Motion carried.

The meeting was adjourned at 8:48 p.m. by President Steffenson.

Respectfully submitted,

Heidi Nelson
EDA Secretary



REQUEST FOR EDA ACTION

MEETING DATE: September 20, 2021
PREPARED BY: Brett Angell, Economic Development Manager
AGENDA ITEM: Façade improvement grant program creation

PREVIOUS ACTIONS:
None.

RECOMMENDED COUNCIL ACTION:
Motion to approve EDA Resolution No. 31 authorizing the creation of and funding for the façade improvement grant program.

COMMENTS:

The proposed façade improvement grant program is a matching grant which would provide commercial business and/or property owners with needed capital to make exterior improvements to the physical exteriors of their buildings. The proposed program would offer grants of up to \$15,000 and would require a one-to-one match by the grantee for the improvements being funded. The intention of the program would be to further stabilize and improve some of the older commercial centers within the City through offering a slight incentive to make the enhancements.

In order to be eligible for a grant through the façade improvement program, the business or property owner must have a commercial building constructed prior to 1990 and have no delinquent utilities, charges, or taxes due to the city. The building or business must also be a conforming or legally nonconforming use and all improvements that would be eligible would be limited to the exterior of the building.

The eligible uses of the funds would include items such as:

- Exterior painting or re-siding;
- Restoration of exterior finishes and materials
- Replacement or installation of new windows or doors
- Canopy or awning installation
- Replacement of free-standing signage

The proposed program would allow for the city to have direct input on some of the improvements being made to ensure the quality and finishes meet a high standard. The proposed program policies also include encouraged and prohibited façade improvement

for the program. Applicants for the program would be encouraged to discuss overall plans with staff prior to applying for funding.

Once the program is established, applications will begin to be accepted on a continuous basis until funds are exhausted. As applications are received, they will be reviewed by city staff for completeness and scored based upon established review criteria. Recommendations for awards will then be presented to the EDA for final approval.

Once a grant is awarded, the grantee will be required to enter into a grant agreement with the City. Any funds to be distributed would be on a reimbursement basis following the grantee providing proof of expenditure and proof of payment.

The proposed level of funding for the 2021 pilot year of the façade improvement program is \$50,000. This amount of funding would allow for 4-5 grants to properties. Based upon initial conversations with businesses and property owners, it is anticipated that this program will be able to utilize all the funds within a timely manner.

ATTACHMENTS:

Attachment A – EDA resolution no. 31

Exhibit A – Façade improvement grant program policies

Attachment A

RESOLUTION NO. 31

ECONOMIC DEVELOPMENT AUTHORITY IN AND FOR THE CITY OF MAPLE GROVE

A RESOLUTION AUTHORIZING THE CREATION OF AND FUNDING FOR THE FAÇADE IMPROVEMENT GRANT PROGRAM

WHEREAS, the City Council has authorized the transfer of funds from the City's Revolving Loan Fund (RLF) to the Economic Development Authority; and

WHEREAS, the Economic Development Authority seeks to use the funding for the establishment of a Façade Improvement Grant Program; and

WHEREAS, the objective of the Façade Improvement Grant Program is to deploy a local pool of funds to support and incentivize commercial businesses and property owners located in older structures to make improvements and enhancements to the exterior facades of their properties; and

WHEREAS, the goals of the Façade Improvement Grant Program may be accomplished by some or all of the following means:

- (a) providing a financial incentive on a one-to-one match to construct the improvements; and
- (b) ensuring the long-term stability of the businesses and buildings through enhanced building facades; and
- (d) allowing for the EDA to have a direct role in the types of enhancements and finishes used at proposed grant locations.

WHEREAS, the Façade Improvement Grant intends to offer matching grants in amounts up to \$15,000 to eligible Maple Grove businesses and property owners on a limited basis;

NOW THEREFORE, IT IS RESOLVED by the Board of Commissioners of the EDA, based on the above recitals, information provided by City staff, and information received at the meeting, as follows:

1. The EDA hereby creates the Façade Improvement Grant program and adopts the FAÇADE IMPROVEMENT PROGRAM GUIDELINES attached hereto as Exhibit A;
2. The EDA hereby receives \$50,000 of funding to be used for the Façade Improvement Grant program from the City's Revolving Loan Fund to be distributed according to that program's policies and procedures.
3. The EDA authorizes the City's Economic Development Manager to enter into and execute Grant Agreements on behalf of the EDA for the Façade Improvement Grant program.

Motion to approve the foregoing findings, conclusions, and decisions was made by _____ and seconded by _____, upon a vote being duly taken thereon, the following voted in favor thereof:

and the following were against:

and the following were absent:

whereupon, the resolution was declared duly passed and adopted this 20th day of September, 2021.

STATE OF MINNESOTA)
COUNTY OF HENNEPIN) ss.
CITY OF MAPLE GROVE)

I, the undersigned, being the duly qualified Secretary of the Economic Development Authority in and for the City of Maple Grove, a public body corporate and politic and a political subdivision of the State of Minnesota, hereby certify that the above Resolution No. 31 is a true and correct copy of the Resolution as adopted by the EDA Board on the 20th day of September, 2021.

Secretary



FAÇADE IMPROVEMENT PROGRAM 2021 PILOT

Adopted:

Economic Development Authority of Maple Grove
Economic Development Department
12800 Arbor Lakes Parkway
Maple Grove, MN 55369
763-494-6003

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I. INTRODUCTION

The Economic Development Authority of Maple Grove's Façade Improvement Grant program is designed to provide technical and financial assistance to property and/or business owners within Maple Grove in order to facilitate upgrades and improvements to the appearance of commercial and retail buildings. The goal of the program is to strengthen the viability of commercial buildings within the City, attract and retain business tenants, and beautify commercial areas.

II. PURPOSE AND AUTHORITY

- A. The purpose of this policy is to establish the EDA's position relating to the use of the Façade Improvement Program. This policy shall be used as a guide in the processing and review of applications requesting grant funds.
- B. The criteria are to be used in conjunction with other relevant policies of the City and/or EDA.
- C. The EDA reserves the right to approve or reject applications on a case-by-case basis, taking into consideration factors considered appropriate by the City, in addition to established policies, criteria, and potential benefits. Approval or denial of an application is at the sole discretion of the EDA or authorized City of Maple Grove personnel.

III. OBJECTIVES

The objective of the Façade Improvement Program is to deploy a local pool of grant funds on a match basis to support and incentivize improvements to the exterior of established commercial and retail buildings. This may be accomplished by some or all of the following means:

- A. Provide needed finances to property owners within the community which are making significant improvements to their buildings and have a financial need for assistance for these improvements;
- B. Providing funding to business owners to enhance their public facing storefronts as a means to attract additional customers;
- C. Providing technical assistance to business and/or property owners on improvement mechanisms and materials for their property.

IV. GENERAL CRITERIA

Business and property owners located within buildings that were constructed prior to 1990 are eligible, assuming the business or property have no delinquent bills, charges, or taxes due to the City. All improvements made using grant funds or the required matching

funds must result in permanent, external building improvements. Due to the limited amount of funding available, all applications may be subject to a competitive selection process which will be based upon the review criteria defined in Section IV.D. All applications and plans are subject to the review and approval of the EDA and/or City. Applying and providing plans does not guarantee approval.

A. ELIGIBLE APPLICANTS

- The applicant must be the property owner or a tenant (business) with written permission from the property owner to make façade improvements to a commercial or retail building
- There must be no delinquent bills, charges, or taxes due to the City at the time of applying
- In order to be eligible, the building in which the enhancements are proposed must have been constructed prior to 1990
- All projects must result in permanent, external building improvements
- The property and/or business must be a conforming or legally non-conforming use
- All improvements must follow the principles, guidelines, and rules of the Maple Grove Zoning Code, Building Code, Fire Code, and Façade Improvement Program Guidelines

B. ELIGIBLE IMPROVEMENTS

The following improvements are eligible uses of grant funds or required match funds. Innovative improvements not listed below may be eligible upon approval by the EDA. All improvements must be completed by a licensed contractor.

- Exterior painting or re-siding
- Green façade improvements (e.g. living wall, reclaimed wood accents, etc.)
- Restoration of exterior finishes and materials
- Masonry repairs
- Removal of architectural accents which are incompatible, obsolete, or damaged
- Repair, replacement, or installment of windows and doors
- Canopy or awning installation or repair
- Replacement of free-standing signage for a multi-tenant building
- Labor costs are only eligible to be covered by the grant if the labor is done by a third-party contractor who has no financial interest in the building

C. INELIGIBLE IMPROVEMENTS

Ineligible improvements include, but are not limited to, the following:

- Improvements in progress or completed prior to grant approval or preliminary approval
- Routine maintenance that is not part of an eligible project
- Billboards
- Roofing
- Mechanical and HVAC systems
- Interior work
- Security Systems
- Trash and mechanical enclosures
- Fencing
- Landscaping
- Purchasing of a property
- Marketing of the property or business

D. REVIEW CRITERIA

The following review criteria and goals shall be used when evaluating applications for funding and determination of grant amounts:

- Project goals and description
- Impact of the project on the building and/or business
- Readiness of the project
- Ownership ability to provide the required match

E. APPLICATION PROCESS

All applications for funding from the Façade Improvement Program will be accepted on a continuous basis until all funds are exhausted. City of Maple Grove staff will review applications to ensure complete information is provided and determine if a proposed project is eligible. All questions in the application must be answered and all required attachments must be attached for the application to be considered. Potential applicants are encouraged to contact City staff to discuss a potential project prior to applying.

The following items must accompany any grant application:

- Proof of property ownership or lease and written letter of consent by the property owner
- Color photographs of the existing building façade condition
- Two or more competitive proposals from contractors for the work to be completed, including detailed information on the work to be completed, detailed costs, and a project completion schedule
- Other supporting documentation deemed necessary by the Economic Development Authority of Maple Grove

F. GRANT AGREEMENT

If a project has been selected for a grant award, the grantee shall be required to enter into a Grant Agreement with the City. The Grant Agreement must be fully executed prior to requesting disbursement of funds.

G. EDA RIGHTS

The EDA reserves and retains the right to deny any grant application for funding. All grantees shall be required to indemnify the City of Maple Grove, the Economic Development Authority of Maple Grove, and any officers acting on their behalf.

H. CONFLICT OF INTEREST

An officer of the City will not have a personal financial interest or personally benefit financially from the business or property owner to be assisted. Minn. Stat. 471.87 and 471.88 provide guidance on conflict of interest.

I. GOVERNMENT DATA PRACTICES

Information contained in the application for assistance will become a matter of public record with the exception of those items protected under Minn. Stat. § 13.591.

V. GRANT PROCESS

A. GRANT SIZE

Property or business owners may apply for grant assistance of up to 50% of the costs of eligible improvements. Grants shall be no less than \$1,000 and no greater than \$15,000.

E. MATCH REQUIREMENT

All grant recipients are required to provide a 1:1 match of grant dollars with private funds. No grant shall exceed 50% of the total eligible project cost.

F. GRANT FUND DISBURSEMENT

All grantees shall receive their grant funds via reimbursement for costs incurred. To receive the grant funds, the work must be completed and the grantee must submit to City staff any invoice(s) and corresponding proof of payment(s). Grant funds will not be disbursed prior to the work being completed.

G. FEES

There shall not be an application fee to apply for a grant from the Façade Improvement Program for any applicant business.

VI. DESIGN GUIDELINES

The following Design Guidelines outline the standards which must be followed when renovating buildings using a Façade Improvement Program grant. These guidelines provide a basis for activities. Applicants are encouraged to speak with City staff regarding proposed façade improvements prior to applying for a grant.

A. ENCOURAGED FAÇADE IMPROVEMENTS

- Windows and Doors
 - i. No tinted windows, only clear glass. Spandrel glass may be used where real glass is not practical;
 - ii. Windows and doors free of clutter and obstructions (including window signage) allowing for clear views to the primary street.
- Structure and Materials
 - i. Use of durable materials such as brick, stone, etc.
 - ii. If a two-story building, the ground floor should appear visually distinct from the upper stories of the building;
- Painting and Lighting
 - i. Unpainted brick shall stay unpainted, previously painted masonry may be painted;
 - ii. Bright or primary colors should be used only as accents;
 - iii. Spot or flood lighting to highlight architectural detailing of a building should be inconspicuous and blend with the wall on which it is mounted;
 - iv. Energy saving lighting and light bulbs are encouraged;
 - v. Building light fixtures should complement the entire façade.
- Awnings and Signage
 - i. Awning should attach to the building at or below the lower edge of the sign band;
 - ii. Awnings should be made of canvas and waterproof cloth designed to resist fading and tearing;
 - iii. Awning colors should coordinate with the primary or accent color of the building;
 - iv. Awning should be proportional to the building and not obstruct the building or storefront.
 - v. Signage should include fonts and colors that are legible from a distance.

B. PROHIBITED FAÇADE IMPROVEMENTS

- Covering brick or stone with vinyl, concrete, aluminum, or wood siding;
- Sandblasting brick
- Reducing existing window size to accept standard residential window sizes
- Replacing windows with wall surface, wood, metal, or other materials
- Adding lighting which moves, flashes, or has audible noise