

# Façade Improvement Program

## FREQUENTLY ASKED QUESTIONS

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### **1. When will the grant money be available?**

The Town will submit a competitive grant application to the Virginia Department of Housing and Community Development in March 2017. Award announcements are made at the Governor's discretion and typically occur during the summer. If the Town is awarded, Façade Improvement Program funds would not be available until Fall 2017 at the earliest.

### **2. Am I provided the grant money at the start of the project or will I be reimbursed for the grant funded portion once the project is complete?**

A three party agreement will be executed between the Town, the Property Owner, and the Contractor. The property owner will pay his or her match contribution into an escrow account established through the Town and Façade Improvement Advisory Board. The Town will pay the contractor the full amount of the project by matching grant dollars with the owner's contribution. Grant money is never directly administered to the property owner.

### **3. What interior improvements can I use as match?**

All fixed interior and exterior improvements since July 2015 are eligible as match.

### **4. What information will I need to provide to use previous improvements made to the building since July 2015 as match?**

The property owner will need to provide documentation of past expenditures on materials and labor (ie receipts, invoices, contract). Property owners should provide proof of ownership (ie deed, tax payment). Real estate taxes, bills, and mortgage payments should be current.

### **5. I understand that an architect contracted by the Town will work with me to prepare façade improvement drawings. Will the cost of this design assistance come out of the cost of my project?**

The design assistance (up to two designs per façade) is at no cost to the property owner. The Town is able to request additional grant funds to pay for design assistance.

### **6. I understand that because these improvements/ repairs are partially funded with grant money, the Town will hold a lien on the property as a 0% interest deferred loan for the cost of the grant-funded improvements for a period of five years to secure that the improvements are maintained for that period. During this period, what if I would like to repaint, change the sign, or do any additional improvements that would change the appearance of the building?**

Property owners can make additional improvements and changes to the building façade during the five year period. Because the property is within the Town's Historic District, the exterior improvements are required to follow the Historic District guidelines and are subject to approval by the Board of Architectural Review. This process of review for buildings within the Town's Historic District occurs regardless of the grant program.

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**7. During this five-year period, what if the business closes and the commercial property becomes vacant? For how long can it remain vacant? How does that affect the loan forgiveness?**

Short vacancies of four (4) months or less will not impact the loan forgiveness. Longer term vacancies of five (5) months or more, and frequent and repeated vacancies of any duration, will be added onto the term of the deferred loan. Exceptions to this provision are at the discretion of the Advisory Board.

A vacant structure that undergoes façade improvements has one-year to be occupied by a tenant that operates a business.

As long as the property owner continues maintenance of the improvements and building facade for five years, the terms of the loan forgiveness will remain in effect.

**8. During this five-year period, what if the property is sold?**

The loan amount will be transferred if the property is sold. The terms of the loan forgiveness will continue for the five year period as long as the improvements and building façade is maintained.

**9. What is the purpose of the Participation Agreement?**

The Participation Agreement provides important support documentation for the Town's competitive grant application. It will support the Town in qualifying for the amount of Façade Improvement funding requested in the application. It will also demonstrate community support for the Façade Improvement Program.

For additional information, please contact Stephanie Langton, Regional Planner for the Northern Shenandoah Valley Regional Commission, at 540-636-8800, or by email at [slangton@nsvregion.org](mailto:slangton@nsvregion.org).

