

City of Sherman, Texas Downtown Incentive Program Guide

The City of Sherman is committed to its historic, revitalized downtown. After decades of hibernation, the city's Central Business District has once again emerged as Sherman's heart – a hub for shopping and dining that attracts local citizens and tourists alike. The City recognizes that in order for this evolution to continue, downtown success must be a public-private partnership.

In accordance with that goal, the City has made available to entrepreneurs two programs designed to strengthen those partnerships:

- The Historic Building Restoration and Improvement Grant Program, which provides 25 percent matching funds toward the redevelopment of historic structures, up to \$25,000.
- The Fee Waiver Incentive, which provides an exemption from all city fees for developers of new construction or renovation in the Central Business District.

The programs are designed to compliment each other and are not exclusive. However, each program requires a separate application, and acceptance into one program does not guarantee acceptance into another program.

All eligibility decisions will be made by the City Manager's Office and are final. All HBRIG enrollment decisions will be made by the City Council and are final.

Central Business District Historic Building Restoration and Improvement Grant Program

Policy Statement

The Building Restoration and Improvement Grant Program is designed to stimulate improvements to existing, historically significant buildings in the Central Business District of the City of Sherman, Texas, to promote tourism, to enhance the physical appearance and economic vitality of downtown Sherman, and to promote joint public/private investment to complement ongoing historical revitalization efforts.

Program Description

This program is designed to make positive, high-impact visual improvements to historically significant commercial buildings by providing an overall enhanced image for downtown Sherman, thereby attracting visitors to shop, dine, and do business in the Central Business District

The program provides a maximum of \$25,000 per project as a matching monetary incentive - a grant packaged as a forgivable loan with a conditional lien placed on the subject property, to the owners of historically significant commercial properties in the Central Business District for high-quality improvements to their properties

In all cases, for every \$4 the applicant invests in the renovation or improvement of the subject property, the City will reimburse \$1 of qualified expenditures, up to the maximum grant authorized by the Council, not to exceed \$25,000 per project.

Eligibility

Historic buildings within the downtown improvement area (map attached) that are of a commercial, retail, service, or professional use are eligible to participate in the program. The building to be improved must have historical significance either from an architectural point of view or a historical use or event.

For mixed-use historic buildings, only the portion of the building that is

commercial, retail, service, or professional is eligible. Assistance under this program will be considered subject to the availability of funding.

Minimum Guidelines

To be accepted into the program, projects must make a substantial visible improvement to the appearance of the building, at the discretion of City staff. Repainting a building its same colors is considered maintenance, not an improvement.

Building improvements should maintain the character of the downtown area. Program funds shall be made available only to projects that enhance and are sensitive to the historical nature of the structure. The design drawings must be approved by the City in order to access funding for improvement.

Buildings improved with funds from this program must remain open, operative, and free of graffiti and blight for a period of five (5) years from the date of agreement and until the lien is released. Tax payments for the subject property shall be up-to-date at the time of application and kept current throughout the five-year grant period.

Applicants must consult with City staff before work begins to define a project scope. Grants will be approved at the sole discretion of the City.

The City will prioritize projects. Consideration will be given to (1) threats to the survival of the structure, (2) importance of the structure to the overall goals of the program, (3) structural integrity and condition, and (4) cost effectiveness of the proposed work. In determining the grant amount, the City will also consider the time required to complete the project. Applicants are requested to limit their requests to projects that can be completed in a timely manner.

Additional requirements:

- Outstanding work orders for the City's Developmental Services Department and/or the City's Fire Department and requests to comply therewith must be addressed prior to grant approval. Any noncompliance or outstanding violations will disqualify the applicant.
- Improvements to be undertaken shall conform to the City's Codes and any

other policies and regulations applying to the subject property.

- For properties with multiple storefronts, it is recommended that the façade treatment provide a cohesive theme while also allowing for some distinctive design elements to the various businesses, such as signage, exposing transom windows, lighting, flower boxes, murals, etc., to provide better street visibility and promote economic development downtown.
- For corner buildings fronting more than one street, improvements must be made to each frontage if determined necessary by City staff.

Eligible Improvements

Eligible improvements must be permanent in nature as determined exclusively by the City of Sherman. All improvements must be consistent with the City of Sherman Master Plan, Zoning Ordinance, Building Regulations, and other applicable laws. Eligible costs include the cost of materials, equipment, and contracted labor to complete eligible improvements, including, but not limited to, the following:

- New commercial or mixed-use construction
- Commercial code compliance renovations
- Permanent commercial interior remodeling improvements
- Permanent commercial site (exterior) improvements
- Compliance with Americans with Disabilities Act (ADA) for commercial properties
- Work necessary to bring the structure up to life-safety code standards
- Installation, repair, and replacement of exterior doors and hardware
- Repair, replacement, or addition of exterior shutters and awnings/canopies
- Repair, replacement or purchase of signs (when performed as part of an overall façade improvement)
- Repair and replacement or installation of interior and exterior stairs, porches, railings, and exit facilities
- Repair and rebuilding of interior and exterior walls, including cleaning, sealing, tuckpointing and painting
- Repair or replacement of frames, sills, glazing, replacement of glass and installation of new windows
- Installation of permanently affixed landscaping, such as stone or brick

planters

- Installation, repair, or replacement of exterior lighting
- Mechanical, including rewiring, replumbing, insulation, mechanical systems/climate control

Ineligible Improvements include:

- Structural additions that would enlarge the residential (livable) space of the project; nor an area not originally a livable space made livable.
- Residential structures
- Real estate or building purchases
- Furnishings and equipment purchases
- Working capital
- Inventory financing
- Title reports and legal fees
- Professional fees such as architects, engineers, and solicitors
- Labor provided by the Applicant or tenant of the building
- Extermination of insects, rodents, vermin and other pests
- Improvements that do not comply with City of Sherman Master Plan, Zoning Ordinance, Building Regulations, and other applicable laws
- Expenses incurred prior to grant application approval.

Application Process

Program Application and Agreement forms are available in the City Manager's Office in the Sherman City Hall, 220 West Mulberry Street, Sherman, Texas, telephone 903-892-7201. The application process is as follows:

After reviewing the program guidelines, the applicant will meet with City staff to discuss the desired work to be undertaken. If the proposed work is within the program guidelines, as determined exclusively by City staff, a completed application is submitted to the City. Written bids, sketches, color samples, and material supplies should be included. The applicant is responsible for submitting plans and specifications to the City and obtaining all required planning and building permits, and any other applicable approvals, with the assistance of City staff.

The Sherman City Council will consider the recommendations made by the City staff and will make its decision in a public meeting. The Council's decision will be made by adopting a resolution, which will authorize the City Manager to enter into a grant agreement with the Applicant. With the Council's authorization, the City Manager will cause the necessary documents to be drawn up and will sign the grant agreement.

Upon approval, the City will send a "Notice to Proceed" to the applicant. The applicant may proceed with the planned building improvements pursuant to the approved design and issued permits. All payments for the work should be made by the Applicant and supported by clearly defined invoices outlining eligible work. Work shall commence within ninety (90) days of the approval date of the building permits. Extensions may be granted solely at the discretion of City staff.

City staff will monitor the ongoing progress during construction to ensure that the work is performed according to the approved application and plans. No changes to work shall be made without the written consent of both the applicant and the City. Approved "Change in Work" forms will be attached to the original application, dated and signed by the City Manager.

Deviations from approved plans and specifications may disqualify the Applicant from this grant program.

Once the work is completed, the City will record a conditional lien on the property to ensure that the property improved with funds from this program remains open, operating, and free of graffiti and blight for a period of five (5) years from the date of agreement. If the Applicant fails to maintain the funded improvements for the entire five-year period, the City will recover its costs through the lien. If the Applicant satisfactorily fulfills the program requirements, the lien will be released at the end of five (5) years from the date of agreement.

Funds will be disbursed upon completion of the project. City staff will conduct a final inspection before the grant funds will be disbursed to the Applicant. A Certificate of Approval will be issued to the Applicant.

Reimbursement claims for all eligible expenses must be submitted with the following supporting documents.

- A completed Rebate Claim form supplied by the City of Sherman

- Any applicable planning and building permits
- Cancelled checks and paid invoices/receipts for eligible work

After final approval of the improvements, the rebate reimbursement will be processed. Allow thirty (30) days for receipt of the rebate check.

After the work is completed, Applicant shall display a sign or banner (provided by the City) indicating participation in the City of Sherman Central Business District Historic Building Restoration and Improvement Grant Program. The sign or banner shall be displayed either on the exterior or in the front window of the building for a period of thirty (30) days.

Funding is limited, and project applications will be prioritized on a first-come, first-served basis.

Loan Applications

The loan application requires:

- Information summarizing the project, including complete construction plans and specifications;
- The project cost and the amount of other dollars being brought to the project;
- Preliminary commitment of private funds;
- Specific uses of all funds;
- Current financial and/or profit and loss statements;
- Amount of grant requested and proposed term being requested;
- Current lien/title report on the subject property;

All applications must be made on forms provided by the City of Sherman. For further information, please contact the Office of the City Manager.

City of Sherman Fee Waiver Incentive Guidelines

Policy Statement

It is the policy of the City of Sherman to promote growth, development, and revitalization in the city's Central Business District. The city of Sherman's CBD hosts dozens of events each year, and plays a key role in drawing people into the city. The City of Sherman sought to implement a Fee Waiver Program as one of several ways the City encourages and incentivizes private investment in its historic downtown.

Program Description

Eligible projects under this program may receive a full or partial waiver of all City fees, as determined by the City Council. Projects may still be responsible for any fees charged by Grayson County, the State of Texas, or other entities.

Fee waivers will support the overall policy goals of the the City of Sherman as outlined below:

1. Increase new development (housing and commercial) on vacant infill lots.
2. Increase redevelopment of underutilized buildings through the rehabilitation, upgrade, and adaptive reuse of existing buildings.
3. Improve the maintenance of existing buildings and sites.
4. Increase business recruitment and expansion.

Eligibility

Eligible projects include: new construction, rehabilitation, repair or maintenance of existing structures, regardless of project cost. Eligible project types include, but are not limited to, residential, commercial, mixed-use, and industrial. **Projects must be located within the City of Sherman's Central Business District** and be appropriately zoned for the intended use, unless noted below.

Any project approved by the Sherman City Council for a matching grant

through the City of Sherman's Historic Building Restoration and Improvement Grant Program will be enrolled automatically into the Fee Waiver Incentive Program, and need not apply.

The following projects are NOT ELIGIBLE for fee waivers:

1. Surface parking lots that are not part of a larger development or expansion project.
2. 100% publicly-funded projects. This includes bond-funded projects and projects on military installations.
3. Projects with 10 or more locations by the same or similar name.
4. Pawn shops, gun shops, liquor stores, tattoo parlors, tanning salons, tobacco/tobacco-like related establishments, financial institutions, non-permanent structures, kiosks, sexually-oriented businesses, and law or other professional offices.

Waiver Amounts

City fee waivers granted under this program are not limited per project, unless so limited by directive from city management.

Application Process

Applications will be received and processed through the Office of the City Manager, who will determine whether the project is eligible and qualifies for fee waivers. The City Manager is the sole decider on the question of eligibility, and his or her decision is final. If approved by the Sherman City Manager, the applicant will receive a Waiver ID. The Waiver ID can be presented to the appropriate staff person to waive the applicable development fees.

The City of Sherman reserves the right to refuse any application for any reason. Submitting an application to the City Manager's Office does not guarantee the applicant an affirmative eligibility decision.

Additional Requirements and Conditions

All projects receiving waivers are subject to verification of project investment. Waivers are not retroactive. Reimbursements will not be granted for fees already paid. Fee Waiver IDs are valid for a period of one year after City Council approval. Each waiver is eligible for one renewal.



City of Sherman Fee Waiver

Valid 10/12/2016 through 10/12/2017



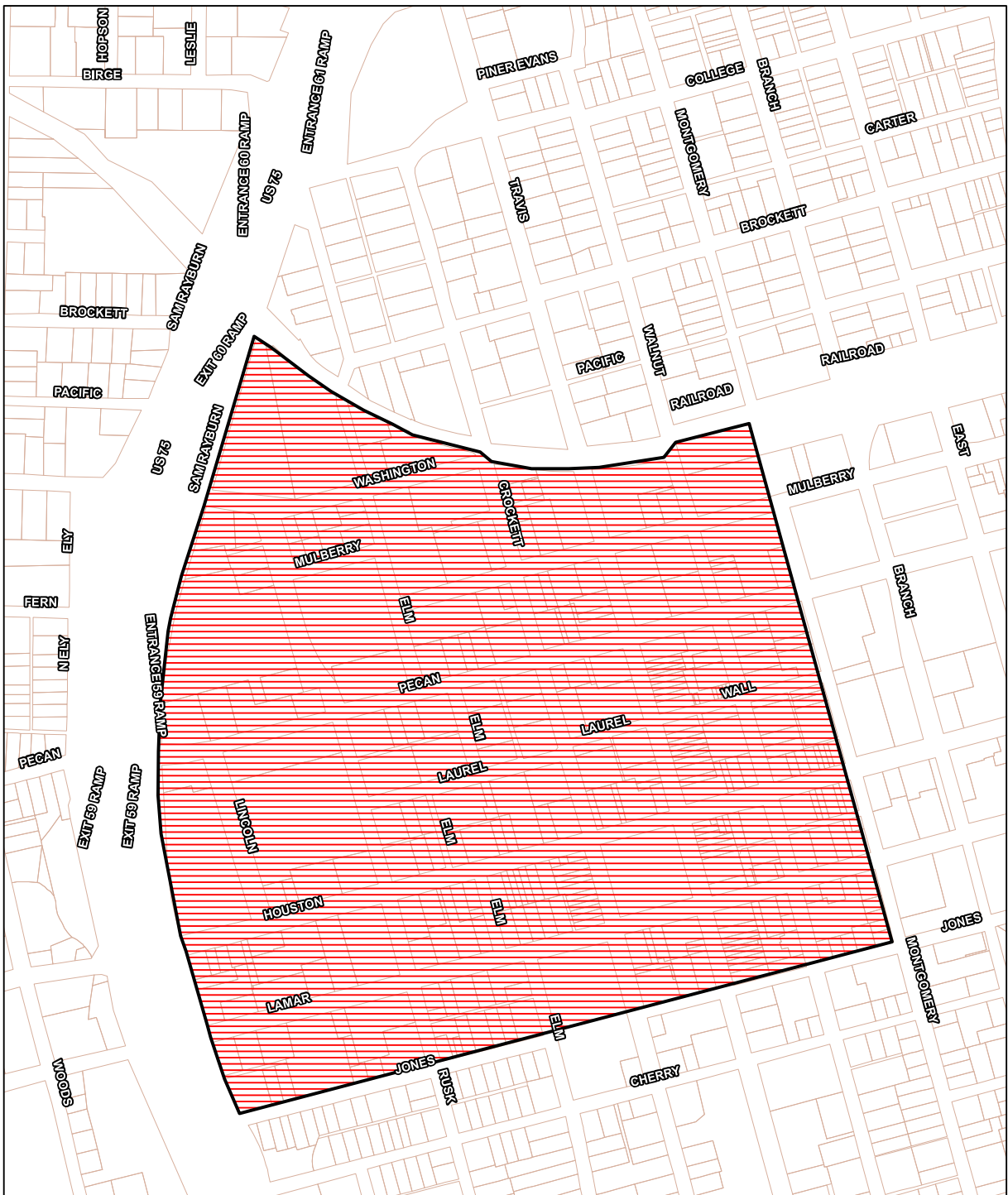
This temporary fee waiver was granted by the Sherman City Council to *A Sample Developer* for use on their project located at *123 Sample Street*. It is valid for a period of one year, and exempts said entity from any City of Sherman fee incurred while valid.

It does not provide exemption from city property taxes nor from any recurring monthly charge, including charges for water use, solid waste, and stormwater utility fees. This waiver is not retroactive, nor is it proactive. As such, it does not entitle the holder to any reimbursement for any fees already paid.

This waiver can be revoked by the Sherman City Manager at any time and for any reason.

Robby Hefton
Sherman City Manager

Date



Sherman
 ENGINEERING DEPT.
 220 W. MULBERRY
 SHERMAN, TX 75090

Central Business District

1 inch = 500 feet

