



P.A.C.E.

# Preservation and Community Enhancement Grant Program Guidebook



## 2021 Policies and Program Guidelines

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## P.A.C.E. Grant Program Introduction

In 2014, it was determined by the Mayor that a grant program for the City's historic district would be beneficial for maintaining and improving the streetscape of the historic commercial district as well as aiding historic residential property owners in restoring their buildings. This could help insure that the historic district properties of the City be maintained as well as continuing to support the City's tourism efforts in promoting its historic district. Following the creation and the acceptance of the guidelines to administer and control this program, the Council will enacted an Ordinance establishing a non-reverting fund for the purpose of distributing the monies granted and depositing other funds that may be obtained for the P.A.C.E. Grant Program.

## Program Description

The primary goal of the P.A.C.E. Grant Program is to promote economic development through encouraging proper exterior historic rehabilitation and preservation to both residential and commercial properties located within the local Madison Historic District boundaries. This program provides eligible private-property owners with funds to aid in their rehabilitation or preservation projects.

A proper rehabilitation is one that maintains, preserves, and protects as much of the original or historic fabric as possible. Where possible, it is always preferred that historic materials are repaired rather than replaced. Historic architectural elements should only be replaced when they are either missing or deteriorated or damaged beyond repair. If an exterior architectural element is missing, reconstruction is recommended. Adequate historic documentation, such as pictures, should be used, when possible, to accurately reproduce missing exterior architectural elements.

Please review the Madison Design Guidelines for further guidance on how to properly preserve your historic property. Copies may be found online at <https://www.madison-in.gov/department/board.php?structureid=26> or in the Office Planning, Preservation, & Design at City Hall.

### **Rehabilitation Grant**

This grant provides exterior or structural rehabilitation assistance to encourage private property owners within the Madison, Indiana local historic district to maintain, repair, and appropriately rehabilitate their historic structure(s).

### **Dilapidated Structures Grant**

This grant provides for the partial demolition of dilapidated buildings within the City of Madison followed by rehabilitation. Dilapidated structures includes any man-made structure which, by reason of faulty construction or any other cause, is liable to cause injury or damage by its collapsing or by the collapse or fall of all or any part of such structure or any man-made structure which, because of its condition or because of lack of doors or windows, is available to or frequented by persons who are not lawful

occupants of such structure. This grant program is available for structures which meet the requirements within the City of Madison limits.

### **Dangerous Buildings Grant**

This grant provides for the demolition of dangerous buildings within the City of Madison. Projects which apply for this grant funding must have a letter from the City of Madison Office of Building and Design stating the structure is unsafe. This grant program is available for structures which meet the requirements within the City of Madison limits.

## **Funding Areas**

The City of Madison's P.A.C.E. Grant Program provides for neighborhood revitalization within the city limits by providing grants for exterior or structural rehabilitation assistance, grants for demolition and rehabilitation of dilapidated structures and grants for demolition of dangerous buildings to encourage private property owners to invest in Madison, Indiana. Each matching grant is \$1 for \$1 up to 50% of the costs up to the funding limit set for each program. Applications which have a larger private investment will receive a higher score and are more likely to get funded. The P.A.C.E. Grant Program area map, appendix A, shows the areas within the city limits which are eligible for grants.

Each year the city's administration will propose the creation of new Targeted Revitalization Areas. This will allow the city to focus on the revitalization of an area through building on its assets and leveraging complementary investments to generate a larger overall impact. At least 75% of the funds from the PACE Grant Program must be reserved for properties within the target areas.

In 2021 there will be three target areas:

- **Main Street East Target Area**
- **Main Street West Target Area**
- **Walnut Street Target Area**

These are shown on the P.A.C.E. Grant Program area map in appendix A.

## **Funding Limits**

The P.A.C.E. Grant Programs are a matching grant program which will match up to 50% of the costs up to the funding limit set for each program. The Rehabilitation Program provides a grant match of the applicant's contribution to the maximum limit of \$7,500. The Dilapidated and Dangerous Buildings Program provides a grant match of the applicant's contribution to the maximum limit of \$25,000 for dilapidated structure's partial demolition/rehabilitation and \$10,000 for full demolition will be. Applications which have a larger private investment will receive a higher score and are more likely to get funded.

Applications are accepted on a rolling basis. Please see the city website for the current deadlines. The application will be reviewed within five (5) weeks after the application deadline.

## Application Review and Approval

1. Applicants must meet with P.A.C.E. Grant Program staff at least 10 days prior to the filing deadline. If this requirement is not met, the application will not be heard at the next P.A.C.E. review committee meeting.
2. If applicable, a Certificate of Appropriateness (COA) must be granted by the HDBR prior to work included P.A.C.E. Grant Program grant application begins. P.A.C.E. Grant Program staff will determine which elements require a COA.
3. **All materials must be received by 4:00 PM on the grant application due date. Applications missing crucial elements will not be considered for funding. The applicant is responsible for ensuring that the application is complete.**
4. The P.A.C.E. Review Committee meeting will take place, unless otherwise noted, on the second Tuesday of January, March, May, July, September, and November at 5:30pm in City Hall. Additional meetings may occur as the needed. All meeting dates are available on the city's website. **The applicant or a representative must be present at the meeting. If a representative for the application is not present, the application will be denied.**
5. The P.A.C.E. Review Committee approves or denies the application. The P.A.C.E. Review Committee is not obligated to approve any of the applications.
6. The P.A.C.E. Review Committee sends the approved applications to the City of Madison Board of Public Works and Safety for final and official approval.
7. The City of Madison Board of Public Works and Safety approves or denies the applications.

## Grant Applicant Eligibility

Persons, corporations or associations\* holding a fee simple title of any property within the corporate limits are eligible to apply.

Properties which previously received P.A.C.E. grant funds are not eligible for additional funding for two years following the previous grant's final disbursement of funds.

In order to be considered for funding, applicants must provide legal documentation stating that they either own the property to be rehabilitated or that they have received permission from the owner for the applicant to apply for funding. All property taxes must be current, no current tax liens against the property, and no current litigation between the City of Madison and the applicant. The applicant must provide willingness to execute all legal agreements.

\*No active elected official of the City of Madison Government or of the Jefferson County Government, department heads, member of the City of Madison's Board of Public Works and Safety, member of the Historic District Board of Review or member of the P.A.C. E. Grant Program Review Committee or their direct relatives are eligible to receive funds from the P.A.C.E. Grant Program. A relative is defined as the spouse, parent, father-in-law, mother-in-law, child, son-in-law, daughter-in-law, grandparent, grandchild, brother, sister, brother-in-law, sister-in-law, uncle, aunt, nephew, or niece and whose relationship is the result of birth, marriage, or adoption. If any of the above listed ineligible individuals is a business associate of the applicant in another business enterprise, then the applicant would also be prohibited from receiving a grant. A business associate is defined as a person or that person's relative as listed above that has a financial interest with the applicant in another business.

## Eligible Improvements

### Rehabilitation Grant

This grant provides exterior or structural rehabilitation assistance to encourage private property owners within the Madison, Indiana local historic district to maintain, repair, and appropriately rehabilitate their historic structure(s). It does not fund interior projects. The proposed project must abide by the Secretary of the Interior Standards for Treatment of Historic Structures as well as the Madison Local Historic District Ordinance and Design Guidelines.

Examples of eligible exterior work includes:

- Repair of existing historic elements (excludes normal maintenance)
- Reversal of previous inappropriate alterations
- Demolition of non-historic additions
- Reconstruction of original architectural elements based on documentation or evidence
- Historic garage, guest house, or carport rehabilitation
- Exterior wall repairs
- Repairs to historic slate or standing seam roofs

Examples of ineligible work:

- Interior elements
- New construction of elements without documentation or evidence of historic existence on the building
- Plumbing or electrical work inside the structure

- Paint without repair of existing historic elements
- Landscaping
- Complete roof replacement
- Sidewalks and driveways

### **Dilapidated Structures Grant**

This grant provides for the partial demolition of dilapidated buildings within the City of Madison followed by rehabilitation. The proposed project within the downtown district must abide by the Secretary of the Interior Standards for Treatment of Historic Structures as well as the Madison Local Historic District Ordinance and Design Guidelines. Proposed projects within the hilltop district must abide by all current building and fire codes. Dilapidated structures includes any man-made structure which, by reason of faulty construction or any other cause, is liable to cause injury or damage by its collapsing or by the collapse or fall of all or any part of such structure or any man-made structure which, because of its condition or because of lack of doors or windows, is available to or frequented by persons who are not lawful occupants of such structure. This grant program is available for structures which meet the requirements within the City of Madison limits.

Examples of eligible work includes:

- Repair of existing historic elements (excludes normal maintenance)
- Reversal of previous inappropriate alterations
- Demolition of dilapidated/unsalvageable portions of the building
- Reconstruction of original demolished/removed elements
- Exterior wall repairs
- Interior Structural Elements

Examples of ineligible work includes:

- Floor coverings (carpet, laminate, wood, etc.)
- Kitchen or bathroom fixtures or furniture (countertops, cabinets, appliances, fixtures)
- New electrical fixtures (rewiring is eligible)
- Interior drywall or paint
- Landscaping
- HVAC/electrical/plumbing improvements

## **Dangerous Buildings Grant**

This grant provides for the demolition of dangerous buildings within the City of Madison. Projects which apply for this grant funding must have a letter from the City of Madison Office of Building and Design stating the structure is unsafe. This grant program is available for structures which meet the requirements within the City of Madison limits.

Examples of eligible work includes:

- Demolition of dangerous buildings (must be followed by infill construction completed within the PACE grant program cycle)

## **Application Package Requirements**

In preparing the application to P.A.C.E. Grant Program grants, the Applicant shall provide a description of the current condition of the Project, how the funding will be applied and the outcome and measurable results. Addition details are presented below which closely follow the format of the application. Details are listed in a “Checklist” format to facilitate the organization of an application package.

### **Part A – INTRODUCTION**

The Applicant must provide an overview including:

- Name of Applicant (if different than Owner). This is the name of the entity or individual that is requesting a grant. If a grant is awarded it will be awarded to the entity named here.
- Owner(s) of property
- Address: provide a full mailing address for the application.
- Contact information for all parties – Owner(s), Lessees, Contractors, Consultants
- Address of the Project
- Grant Amount requested and Total Project Cost.

### **Part B – DESCRIPTION OF THE PROJECT**

The Applicant shall provide a description of construction-related activities to be carried out as part of this Project. The applicant will also provide a project schedule to show how the project will be completed in 12 months. The Applicant shall provide supporting documentation including:

- Site Plan,
- Floor Plans,
- Elevations and Sections,

- Photographs of existing conditions with attached notes describing work to be carried out,
- Any additional documentation necessary to describe the scope of the Project may be provided.

### **Part C – FINANCIAL ELEMENTS**

The Applicant shall provide all financial information necessary to evaluate conformance with the financial requirements of the Grant Program:

- Overall Project budget defining the scope of the Project, amount of the grant requested, amount of matching funds provided by Applicant, any other sources of income and expenditures necessary to accomplish the Project, identified by tasks, subtotals and totals. The exact bid amount must be listed out in the budget. This includes both materials and labor. Building permit fees, if applicable, are the responsibility of the applicant and cannot be included in the project budget. Applicants may complete the work themselves; however, the P.A.C.E. Grant Program would only fund the cost of materials.
- List of all major tasks necessary to complete the proposed Project, the matching grant amount requested, the amount and source of matching funds to be provided by the Applicant, any other sources of income and the expenditures necessary to accomplish the Project, including in-kind contributions and voluntary labor.
- Estimate of Construction cost (provided in the form of a construction quote) shall define the cost for each construction element of the Project and shall include reasonable documentation of construction cost estimates indicating income source to be used to pay for each line item. According to the City of Madison, Indiana’s City Ordinance #2016-11, all contractors must be registered with the City of Madison. If the applicant decides to change the contractor at any point during the duration of the project, the applicant must notify the Director of Planning. If using a contractor, the contractor must be listed in the application. If the contractor or person doing the work is not listed, the application will be considered incomplete and will not be accepted for submission to the P.A.C.E. Review Committee.

### **Part D – REQUIRED SUPPORTING DOCUMENTS**

- Certificate of Incorporation (if organization/business)
- Proof of Ownership (Deed)
- Proof of Insurance
- Approved COA (if applicable)

- Unsafe letter (if applicable)
- Infill plan (if applicable)

## Project Selection Criteria

The decision to approve an application will be based on the value and quality of the proposed project and its overall impact on Madison’s preservation efforts. Minimum scores are required to receive funding. Those are included on the scoring sheets. See appendix C for project scoring sheets for each grant category.

## Award Notification

The Applicant selected to receive matching grant funding must enter into a formal Funding Agreement (Agreement) with the City of Madison. The Agreement specifies the dollar amount awarded, scope of work, agreed Project budget, how outcomes will be measured, contract duration, the terms of funding and other terms and conditions. The Applicant may retain one or more Project Contractors to carry out and complete the Project. Prior to the execution of the Agreement, the Total Project Budget should be verified by an executed construction contract or other suitable documentation confirming costs to complete the Project.

## Implementation of the Project

Any work included in the project description, whether funded by the P.A.C.E. Grant Program or by the applicant, must not begin until the Director of Planning informs the applicant that the City of Madison Board of Public Works and Safety has approved their grant application, all agreements have been signed and all contractual requirements have been turned into the Director of Planning.

The Applicant is responsible for timely payments to its Project Contractor(s) and vendors. Proper documentation for the Project expenses, reasonable in amount and directly related to and necessary for completion of the Project are required prior to disbursement. For each progress payment (in the case of a phased Project) or within forty-five (45) days of the completion of the Project, the Grantee shall submit to the City a Request for Payment together with applicable Project Invoices and supporting documentation (see [Reporting on the Project](#)).

At final Project completion and closeout, any remaining unspent funds are returned to the reserves of the P.A.C.E. Grant Program.

## Grant Term

Approved P.A.C. E. Grant Program projects must begin within 90 days following approval by the City of Madison Board of Public Works and Safety. If work does not begin within 90 days, recipients forfeit their grant funds. In extreme circumstances, the City of Madison Board of Public Works may waive this requirement or extend the time period in which the project shall start.

P.A.C.E. Grant Program projects must be completed within twelve (12) months following the grant approval.

In extreme circumstances where the project cannot be completed within twelve (12) months, an extension request can be made to the City of Madison Board of Public Works and Safety before the original twelve (12) months expire. The extension, if approved by the City of Madison Board of Public Works and Safety, can be for a period not to exceed twelve (12) additional months.

If the project is not completed within the original twelve (12) months along with any approved extensions by the Board of Public Works and Safety, then all funds previously provided to the recipient shall be returned and placed in the P.A.C.E. Nonreverting Fund for future distribution. All projects will be reviewed upon completion by the Director of Planning to ensure that the work was completed according to the P.A.C.E. Grant Program Agreement. Failure to complete any project may result in the City placing a lien on the property recovering grant monies in the amount of monies received.

## Project Publicity

Recipients of a P.A.C.E. Grant Program grant must agree to post a sign in either the front yard or a front window acknowledging the P.A.C.E. Grant Program. The sign must remain displayed in a prominent location during the entirety of the project. If the sign is damaged, the project participants are asked to notify the Director of Planning so a replacement sign may be delivered.

## Reporting on the Project

The Grantee shall submit to the City written progress reports at the Midpoint of completion and at completion of the project. These reports are required in order to receive disbursement of funds. Grantees may elect to only receive disbursement of funds at the completion of the project and therefore would only be required to submit the written final progress report.

The applicant must notify the Director of Planning of the project completion. The applicant must submit a final report to the Director of Planning within 45 days of the project completion. The final report must include the following:

1. Description of work completed.
2. Detailed description of who completed the work.
3. Final project budget (copies of invoices and receipts must be included).
4. Pictures of the finished project.

Please see appendix E for the final report checklist and form.

## Disbursement of Funds

Once approved by the City of Madison Board of Public Works and Safety, fifty percent (50%) of the funds will be provided to the recipient after fifty percent (50%) of the project is completed, see appendix D for Mid-point Report, and the balance of the grant funds are to be provided to the recipient following the project total completion, see appendix E for final report. The applicant is required to notify the Director of Planning as to the day the project work will begin. The applicant is required to notify the Director of Planning, with a completed Mid-point report, once fifty percent (50%) of the project is completed. The Director of Planning will inspect the property to ensure that the work meets the requirement of the P.A.C.E. Grant Program Agreement. If approved, fifty percent (50%) of the awarded grant funds will be made available to the applicant. The property will be inspected once more after the completion of the project. If the work does not meet the requirements of the P.A.C.E. Program Agreement the applicant must correct the work. If the work is not corrected, and in conjunction with the P.A.C.E. Ordinance Section (F) the applicant must surrender the full amount of the grant funds back to the City of Madison.

**Audit:** Not later than 45 days following the completion of the project, the grant recipient is required to submit a detailed list of all expenditures that was specific to the approved project. Supporting documents such as vendor invoices, proof of payment, etc. may be required. Should the grant recipient's total approved expenditures meet or exceed the required project cost, and then the project is considered completed. Should the expenditure be less than the project estimate, then a repayment and a grant adjustment will be necessary.

For example, the project was approved for a \$ 10,000.00 cost, with a \$5,000.00 match from the P.A.C.E. Grant Program, but the actual cost of the project was \$ 6,000.00. At \$6,000.00, the program's match would have been \$3,000.00. If the recipient received a Mid-point (50% completion) disbursement of funds, they will be required to reimburse the P.A.C.E. Grant Program up to the \$1 for \$1 match of the grant.

For example, the project was approved for a \$ 10,000.00 cost and the recipient received a Mid-point (50% completion) disbursement of funds for \$2,500. At the completion of the project the actual cost of the project was \$4,000.00. The recipient would be required to reimburse the City of Madison for \$500.00 since the \$1 for \$1 match on the project was only \$2,000.00. Should the recipient fail to make this restitution within 60 days of notification, the City of Madison, Indiana may place a lien on the property in order to recover grant monies.

## Contractual Requirements

The following documents must be completed prior to commencement of work:

1. Consent Agreement:

The consent agreement, which is part of the official application, acknowledges that the applicant understands the rules, regulations, and guidelines for the P.A.C.E. Grant Program and if awarded funding will abide by all legal contracts signed.

2. P.A.C.E. Grant Program Agreement (appendix F):

The P.A.C.E. Grant Program Agreement is signed upon the approval of the grant by the City of Madison Board of Public Works and Safety. This document is signed by the Director of Planning and the grant recipient.

## Compliance with Laws.

The Grantee shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required by the contractual agreements listed above.

The Grantee certifies by entering into a P.A.C.E. Program Grant Agreement that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments.

The Grantee warrants by entering into a P.A.C.E. Program Grant Agreement that it has no current or pending litigation with the City. During the term of a P.A.C.E. Program Grant, the Grantee agrees that the City may suspend funding for the Project if litigation with the City occurs.

The Grantee warrants that the Grantee and any contractors performing work in connection with the Project shall obtain and maintain all required permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the City.

Failure to do so may be deemed a material breach of the P.A.C.E. Grant Program Agreement and grounds for immediate termination.

## P.A.C.E. Review Committee

The P.A.C.E. Grant Review Committee shall consist of six members and all five members shall be residents of the City of Madison and one member shall be a resident of Jefferson County. All members should have a strong understanding of preservation and be knowledgeable of the City of Madison's Historic District Guidelines.

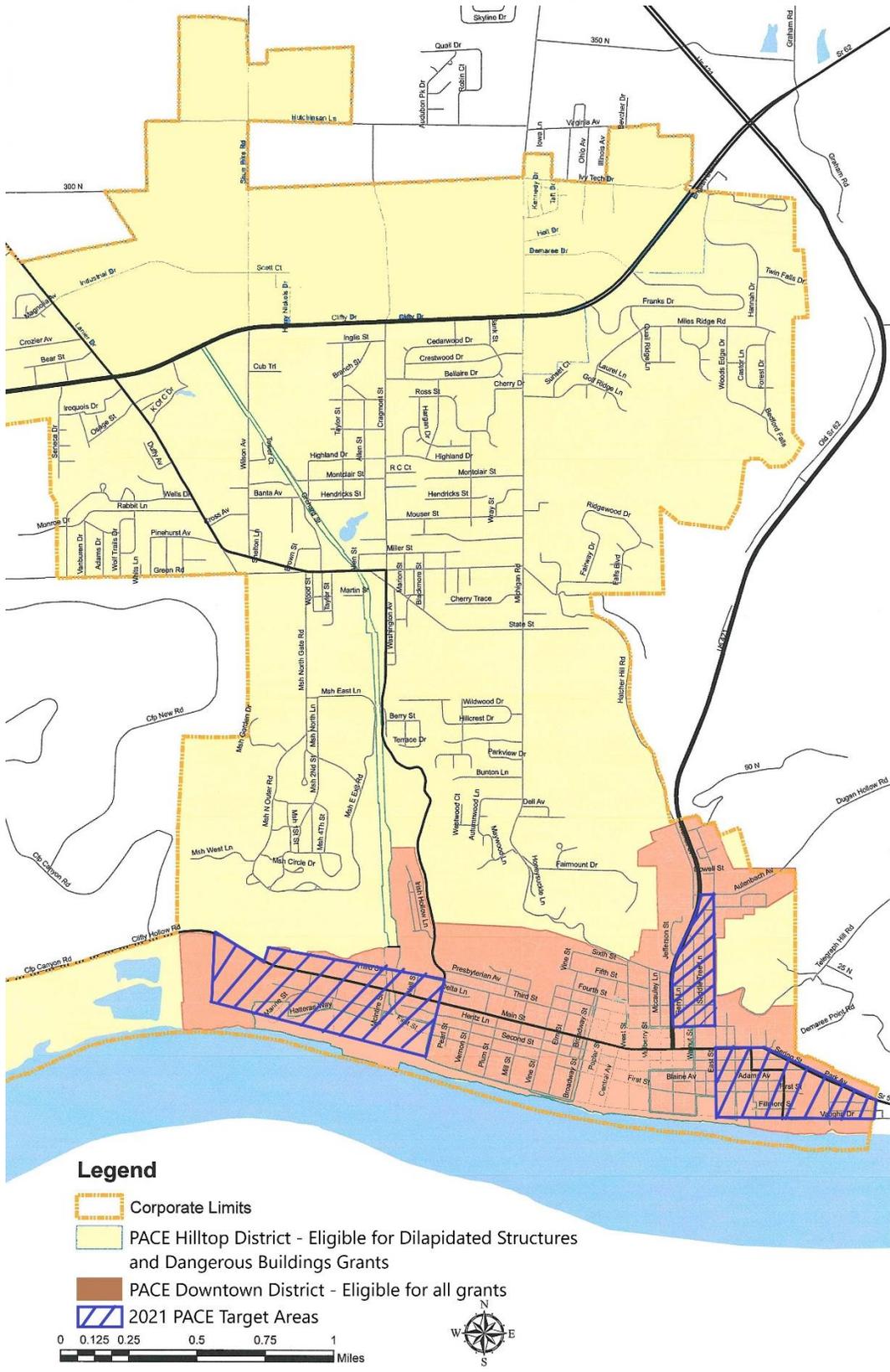
The Committee shall be composed of six appointed members. Three of the members shall be appointed by the Mayor and two of the members shall be appointed by the Common Council. One member shall be appointed by the Commissioners. For the initial appointments, the Mayor shall appoint one member to serve for one year, one member to serve for two years and one member to serve for three years. The Common Council shall appoint one member to serve for one year and one member to serve for two years. Except for the initial appointments, each member shall serve for three-year terms and may be reappointed for one additional three-year term. The initial appointments of one- and two-year terms may serve for two full three-year terms in addition to their

initial term. After completion of serving the maximum terms allowed, a former member may be reappointed to additional terms, but shall have at least a one-year break in service to be eligible to serve any additional terms.

All members shall serve until a successor is appointed and qualified. The member's term will end on December 31<sup>st</sup> in the year his/her term is completed. At the first meeting of each year, the Committee will choose a Chairperson to conduct their meetings. If a vacancy occurs, a successor shall be appointed in the same manner as the departed member, and the successor shall serve the remainder of the vacated term. The appointing authority may, at any time, remove a member appointed by him, her, or them from office.

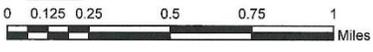
An individual interested in serving on the P.A.C.E. Review Committee should submit a letter of intent and application. For application please see appendix G. Once accepted as a member of the P.A.C.E. Review Committee, the member must sign a confidentiality statement as well as a conflict of interest agreement.

# Appendix A: P.A.C.E. Grant Program Area Map



## Legend

-  Corporate Limits
-  PACE Hilltop District - Eligible for Dilapidated Structures and Dangerous Buildings Grants
-  PACE Downtown District - Eligible for all grants
-  2021 PACE Target Areas



## Appendix B: P.A.C.E. Grant Program Application

The application form is available through the Office of Planning, Preservation, & Design or at <https://www.madison-in.gov/department/board.php?structureid=29>.

## Appendix C: Project Scoring Sheet

The Project Scoring Sheet is available through the Office of Planning, Preservation, and Design or at <https://www.madison-in.gov/department/board.php?structureid=29>.

## Appendix D: Mid-point Report

The mid-point report form is available through the Office of Planning, Preservation, and Design or at <https://www.madison-in.gov/department/board.php?structureid=29>.

## Appendix E: Final Report

The final report form is available through the Office of Planning, Preservation, and Design or at <https://www.madison-in.gov/department/board.php?structureid=29>.

## Appendix F: P.A.C.E. Grant Program Agreement

The P.A.C.E. Grant Program Agreement is available through the Office of Planning, Preservation, and Design or at <https://www.madison-in.gov/department/board.php?structureid=29>.

## Appendix G: P.A.C.E. Review Committee Application

The member application is available through the Office of Planning, Preservation, and Design or at <https://www.madison-in.gov/department/board.php?structureid=29>.