

# CITY OF CRYSTAL LAKE

## Commercial Facade Improvement Grant Program

### MATCHING GRANT APPLICATION FORM



2023 Fiscal Year



*ADMINISTERED BY:*

CITY OF CRYSTAL LAKE  
PLANNING & ECONOMIC DEVELOPMENT  
100 W. WOODSTOCK STREET  
CRYSTAL LAKE, IL 60014

# CITY OF CRYSTAL LAKE

## *Commercial Façade Improvement Grant Program*

---

In its continuing effort to support the development of the business community and our workforce, the City of Crystal Lake has created a Commercial Façade Improvement Grant Program for new and existing retail business owners. The City Council will review applications and award grant funds to eligible new and existing retail businesses who complete façade improvements to their businesses.

This booklet is intended to provide general information regarding these programs. The actual terms and conditions of each program, qualifications for participation and further limitations may be found in Chapter 228 of the City Code of the City of Crystal Lake, and are subject to change by the City Council. For more information, please contact the Planning & Economic Development Department at (815) 356-3737.

**Program descriptions and eligibility requirements:**

<b>Commercial Façade Improvement Program</b>		
<b>ELIGIBILITY<sup>1</sup></b>	<b>AWARD</b>	<b>AWARD CALCULATION<sup>2</sup></b>
<p>Site must be zoned B-1, B-2 and B-4 within Crystal Lake, Illinois and a retail or restaurant use;</p> <p>Applicant must be the property owner of the building in the City limits of Crystal Lake;</p> <p>Only one grant is awarded per applicant over the life of the site.</p> <p>Applicant must file an application prior to commencing improvements.</p> <p>Grant allowance is determined by square footage per project area that is under common ownership. For example: A shopping center would need to calculate all units together under the same ownership that are being considered for the grant.</p>	<p>Up to \$20,000 for spaces up to 10,000 sq ft</p> <p>Up to \$25,000 for spaces 10,001- 35,000sq ft</p> <p>Up to \$30,000 for spaces 35,001 sq ft and above</p>	<p>50% match for exterior façade improvements, signage is not allowed as a matching or reimbursable expense.</p>

<sup>1</sup> See detailed eligibility criteria below. See also Chapter 228 of the City Code for Commercial Façade Improvement Program

<sup>2</sup> \$250,000 of available funding for this program. All awards are subject to the financial limitations established by the City's appropriation ordinance from time to time.

## **COMMERCIAL FAÇADE IMPROVEMENT PROGRAM ELIGIBILITY CRITERIA**

- (i) Applicants are required to complete and submit an Illinois Department of Labor Authorization to Release Sales Tax Information form to City Staff as part of the required application documentation.
- (ii) Award calculations may include façade construction along with fixtures and equipment costs, up to maximum award amount.
- (iii) Façade improvements must comply with all applicable codes and ordinances.
- (iv) Eligible façade improvements include, but are not limited to;
  - a. exterior brick cleaning;
  - b. exterior tuck pointing;
  - c. exterior painting;
  - d. wall façade construction, repair, and treatment;
  - e. original exterior architectural features repair or replacement;
  - f. exterior demolition;
  - g. historic renovation to exterior, doors, electrical conduit/wiring and fixtures, masonry, structural elements, windows, and exterior paint;
  - h. improvements to all elevations visible from a public way;
  - i. New window and frame for architectural improvement that is visible from the street and is appropriately scaled to the building.
  - j. New storefront construction appropriately scaled within an existing building.
  - k. New awnings (excluding bubble/round awnings) to buildings located in the Downtown or VSC Districts that are part of a larger façade improvement project;
  - l. Street level windows (glass) and doors are eligible only when part of an overall larger façade improvement project.
- (v) Improvements in the Downtown must be of historic nature and matching the existing look and materials in the surrounding area. Please contact staff for additional questions and guidance regarding this.
- (vi) Applicant's business must provide a stocked retail showroom for retail products or be a limited service or full service restaurant.
- (vii) Applicant must provide written proof of façade construction costs and/or FFE costs.
- (viii) Applicant applying for funds for façade improvements must sign and submit an affidavit that they paid prevailing wages.
- (ix) Applicant must file and have City Council approval for grant funding prior to commencing improvements.
- (x) Grants shall only be awarded to property owners for the rehabilitation of commercial shopping centers or multi-story mixed use buildings containing first floor retail/commercial space (leasing or common areas within primarily residential buildings are expressly excluded) .
- (xi) Property owners may apply for one grant award per site over the life of the program.

- (xii) Property owners have twelve (12) months after the award to complete the project, reimbursement is given after the building permit work is completed and the final inspection is completed and approved by the Building Department.
- (xiii) Maximum award amounts are based upon the size of the shopping center as follows:
  - 10,000 square feet of floor area: \$20,000 maximum grant
  - 10,001 – 35,000 square feet of floor area: \$25,000 maximum grant
  - 35,001 square feet or more: \$30,000 maximum grant

### **Eligible Properties and Applicants**

All restaurant and retail focused and operated commercial locations in the City of Crystal Lake are eligible for Commercial Tenant Improvement Program. Applicants who apply for funding after commencing the improvements are ineligible. Only improvements to facades that directly front a public right-of-way are eligible.

Businesses filing applications must meet a minimum annual taxable sales threshold of \$100,000 to be eligible for grant funding. New business applicants shall provide sales projections with their applications. The City of Crystal Lake will verify minimum taxable sales thresholds are met using Illinois Department of Revenue reports.

Any building with a zoning, building code, or fire/safety code violations is not eligible for the program. Any commercial building owner, or business owner (tenant) with building owner authorization (a lease or other agreement), may apply for the grant.

### **Ineligible Projects**

The Commercial Façade Improvement Grant Program will not provide funds for working capital, debt refinancing, inventory acquisition, application fees, permit fees, legal fees, or signage.

### **Grant Agreement**

As a condition of the award of grant funds, eligible and approved applicants will be required to enter into an agreement with the City in a form to be approved by the City Council. The Agreement will contain terms and conditions of any grant award which would be made, including a requirement that the applicant must repay some or all of the grant money in the event that the business for which the grant was approved does not remain in continuous operation for at least five years. The sample Grant Agreement attached to this application form contains sample provisions of the Grant Agreement and is for reference only. Please do not file this document with your application, as it is only a sample. In the event that it is determined that you are eligible for a grant award, an original form of Grant Agreement will be provided to you by the City.

### **Administration**

Applicants are encouraged to submit complete applications to City Hall in person or via e-mail. Applications for the City's grant programs will be accepted on a first-come, first-served basis. Only completed applications that include all required submittal documents and information will

be accepted. The City's Community Development Department will review the application for accuracy and will determine if it meets the requirements for funding.

If the application is determined to meet the requirements of the program, the application will be forwarded to City Council for review within 21 days. If the application receives City Council approval, the applicant must enter into an agreement with the City. Matching grant funds will only be disseminated to the applicant after the following items are completed:

- A) An affidavit stating prevailing wage was paid for the construction and labor for façade improvements must be submitted;
- B) The furniture, fixtures, and equipment have been purchased and implemented within the business;
- C) Receipts and cancelled checks or credit card statements for the purchase of the approved furniture, fixtures, and equipment are submitted;
- D) The applicant has received a building permit inspections and approvals.

### **Questions**

A grant application and submittal requirements are included with this packet. If you have further questions regarding the Improvement Programs, please contact the City of Crystal Lake Planning and Economic Development Department at (815) 356-3737.

**CITY OF CRYSTAL LAKE**  
***Commercial Facade***  
***Improvement Grant Application***

---

*Please completely fill out this application and return it to the City of Crystal Lake with the items listed in the checklist on page 2.*

<b>Applicant Information</b>	Name	Phone
	Mailing Address	Federal Tax ID#
	Email	IL Business Tax#

<b>Property Information</b>	Address for building for which grant is sought:	
	Property Identification Number(s)	Phone

***Description of façade improvements and estimated costs:***

---



---



---



---



---



---



---



---

**Application Checklist**

The following items must be submitted with the Improvement Application form (Page 1):

- Completed and signed Crystal Lake Façade Improvement Grant Application;
- Written cost estimates for the façade improvements do not include labor costs as they will not be covered;
- A visual rendering, illustrating the new façade (drawings do not have to be architectural renderings, but should be to scale so that the City can understand the scope of the proposed project);
- Written description of the scope of the proposed project (letter to the Mayor and City Council);

I agree to comply with the guidelines and standards of the City of Crystal Lake Commercial Façade Improvement Grant and I understand that this is a voluntary program, under which the City has the right to approve or deny any project or proposal or portions thereof.

Applicant(s) Signature \_\_\_\_\_ Date \_\_\_\_\_

## CITY OF CRYSTAL LAKE *Improvement Grant Agreement*

---

**THIS AGREEMENT**, entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, between the City of Crystal Lake, and Illinois Municipal Corporation (hereinafter referred to as "CITY") and \_\_\_\_\_, the following designated business owner, (hereinafter referred to as "OWNER"), to witness:

Property Owner's Name: \_\_\_\_\_

Business Owner's Name: \_\_\_\_\_

Name of Business/Businesses: \_\_\_\_\_

Federal Tax ID#'s: \_\_\_\_\_

Address/Addresses of Property where the business will be located:

\_\_\_\_\_

\_\_\_\_\_

PIN Number(s): \_\_\_\_\_

### WITNESSETH:

**WHEREAS**, pursuant to Chapter 228 of the City of Crystal Lake Municipal Code (the "Code"), the City of Crystal Lake ("the City") has created grant programs, making certain grant funding available for new and existing retail businesses in the City (the "Grant Program"); and

**WHEREAS**, the Grant Program is administered by the City and is funded by the general fund for the purpose of enhancing economic development opportunities in the City; and

**WHEREAS**, the Grant Program was created for the purpose of reimbursing business owners who improve facades of commercial spaces to enhance and improve the appearance of the retail corridors within the City limits of Crystal Lake, subject to eligibility requirements and grant parameters and limitations set forth in the Code; and

**WHEREAS**, the Owner operates a (new/existing) retail business within the corporate limits of the City, commonly known as \_\_\_\_\_ (the "Retail Business") and located at \_\_\_\_\_, Crystal Lake, Illinois (the "Property");

**WHEREAS**, the Owner has applied for a (Facade Improvement Grant Program) (the "grant"); and

**WHEREAS**, the City has determined that the Owner is eligible for the Grant, subject to the conditions and limitations set forth in the Code and this Agreement;

**NOW THEREFORE**, in consideration of the mutual covenants and agreements obtained herein, the CITY and the OWNER do hereby agree as follows:

### SECTION 1

---



The City shall reimburse the Owner at a rate of fifty percent (50%) for the cost of eligible FFE or façade improvement expenses incurred by the Owner for use in the Owner's Business. The total amount of all reimbursements paid by the City pursuant to this Agreement shall not exceed \$ \_\_\_\_\_. Businesses may apply for one grant award per business over the life of the program.

## **SECTION 2**

The City approval of a Grant shall not be construed as permission to commence construction on the subject property. No improvements or construction shall be undertaken by the Owner on the location of their business until applications for Building Permits and Occupancy have been submitted to the Building Division and approved by the City. Following approval, the Owner shall start work within six (6) months, and completed within twelve (12) months from the date of City Council approval. The Owner may request a ninety-day (90) extension provided there is a demonstrated hardship.

## **SECTION 3**

Upon completion of the improvements and upon their final inspection and approval by the City Building Commissioner, the Owner shall submit to the City properly executed documentation, including: receipts and cancelled checks for the purchase of the approved FFE, proof of payment for the façade improvements including labor and materials with wages paid and a copy of a final Certificate of Occupancy for the business.

## **SECTION 4**

If the Owner fails to complete the façade improvements consistent with the conditions of the approval by the Mayor and City Council, then upon written notice being given by the City Manager to the Owner, by certified mail to the address listed above, this Agreement shall terminate and the financial obligation on the part of the City shall cease and become null and void.

## **SECTION 5**

Upon completion of the improvements, Owner shall be responsible for properly maintaining the façade without change or alteration thereto, as provided in this Agreement for a period of five (5) years following completion of the construction and/or business commencement.

## **SECTION 6**

This Agreement shall be binding upon the CITY and upon the OWNER and its successors, to said property for a period of four (4) years from the date the check has been issued to the applicant. It shall be the responsibility of the OWNER to inform subsequent OWNER(S) of the provisions of this Agreement.

In the event that at any time, subsequent to the reimbursement payment required by this Agreement have been paid by the City, the Owner abandons, closes, transfers, sells or terminates the Retail Business Owner's business upon the Property during the four (4) year term of this Agreement (hereinafter collectively referred to as the "Terminating Event"), the Owner shall,

within thirty (30) days from the date of the Terminating Event or such later date as the City may agree to in writing (hereinafter, the "Refund Payment Due Date"), refund to the City a portion of the Grant received from the City prior to the Terminating Event, in accordance with the following schedule (hereinafter, the "Refund Payment"):

<u>Date of Terminating Event</u>	<u>% of the Total Grant Payment to be Refunded</u>
Within one year of the agreement date	75%
Within two years of the agreement date	50%
Within three years of the agreement date	25%

Such Refund Payment shall be paid to the City within thirty (30) days from the date of the Terminating Event (hereinafter, the "Refund Payment Due Date").

Owner agrees on its own behalf and on behalf of its heirs, successors, and assigns that the City's right to the Refund Payment pursuant to this paragraph shall constitute both a personal obligation of the Owner and a lien against the Property and Owner agrees that the City may record this Agreement with the McHenry County Recorder of Deeds. To further secure the repayment of Reimbursement Payments pursuant to this paragraph, Owner agrees to execute and deliver to the City a UCC financing statement, in a form acceptable to the City Attorney, pledging inventory, accounts held at financial institutions, accounts receivables, and such other assets of the Owner as the parties may agree to in writing, and Owner further consents to the filing and/or recording of such financing statements as may be appropriate under the laws of the State of Illinois. Such financing statement shall be delivered to the City upon request.

**SECTION 7**

The Owner releases the City from, and covenants and agrees that the City shall not be liable for, and covenants and agrees to indemnify and hold harmless the City and its officials, officers, employees, and agents from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from or in any way connected directly or indirectly with the furniture, fixtures, and equipment, and/or employees hired for the Retail Business. The Owner further covenants and agrees to pay for or reimburse the City and its officials, officers, employees, and agents for any and all costs, reasonable attorney's fees, liabilities, or expenses incurred in connection with investigating, defending against or otherwise in connection with any such losses, claims, damages, liabilities, or causes of action. The City shall have the right to select legal counsel and to approve any settlement in connection with such losses, claims, damages, liabilities, or causes of action.

**IN WITNESS THEREOF**, the parties hereto have executed this Agreement on the date first appearing above.

OWNER

CITY OF CRYSTAL LAKE

\_\_\_\_\_

\_\_\_\_\_  
City Manager

ATTEST:

---