

Madras Redevelopment Commission

Building Improvement & Adaptive Reuse Program



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Madras, OR 97741
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OVERVIEW

The Madras Redevelopment Commission (MRC) has programs to assist property owners renovate their obsolete or dilapidated buildings through the Building Improvement and Adaptive Reuse programs. These programs are larger in scale than the MRC's smaller grant programs (e.g., Paint & Window Improvement programs). As a result, the MRC's grant and loan funding is to leverage private investment to address the poor exterior appearance and function of a building to allow businesses to be more successful. These programs offer low-barrier loans and grant funding for high quality designs that utilizes cost effective solutions to address aesthetic and functional problems. The Adaptive Reuse Program is the same as the Building Improvement, except that it provides funding to change older buildings into a new use that requires a change in Occupancy Type as determined by the Jefferson County Building Official for which significant mechanical, electrical, plumbing, and structural improvements are needed. Additionally, the Building Improvement Program has a maximum grant award of \$50,000. Whereas the Adaptive Reuse Program has a maximum grant award of \$150,000 as the cost to renovate the building are anticipated to be more expensive. Both Programs require design professionals and general contractors to be involved in scoping the project to ensure property owners have a good understanding of what each project entails, assist with project financing, and minimize costly change orders during construction.

Building Improvements and Adaptive Reuse applications will be reviewed on a quarterly basis.

Applications will be required to be submitted on January 1st, April 1st, July 1st, October 1st of each year.

Applications for these programs will be reviewed through the MRC's Type C review process that requires pre-application meetings with City staff, complete applications to be filed before they are reviewed, and two MRC meetings for the Commission to consider approving. At the two MRC meetings, the Commission will provide an opportunity for the applicant present their project, request a staff report, and allow public comments on the matter. The MRC intends to take formal action to make a decision on a Building Improvement or Adaptive Reuse applications in less than 120-days. However, additional time may be required, as appropriate.

ELIGIBILITY

1. The subject property is located within Madras Urban Renewal District boundary (see Figure 1).
2. Property owner/business' utility accounts with the City of Madras are in good standing.
3. There are no outstanding City Code violations on the subject property.
4. Applicants may be:
 - An Individual
 - A For-Profit Business Tenant (with written approval from the building's owner)
 - Property or Business Owner
5. Existing building is inadequate, degraded, or has an obsolete building system.

AVAILABLE FUNDING

The Madras Redevelopment Commission will allocate grant funding for Building Improvement and Adaptive Reuse Program loan and grant funding in their biennial budget. The MRC will consider awarding grant funding for applications as funding is available and at their discretion based on the approval criteria stated herein. Both the Building Improvement and Adaptive Reuse Programs require applicants to fund 25% of the total project cost with their own capital from a commercial lender. The MRC will require the applicant’s financial contribution (25% of project cost) to be secure and be used only for the proposed project.

The MRC may provide grant and loan funding for which is available on 1 to 3 ratio. The MRC matches every \$1 dollar contributed by an applicant with \$3 dollars from the MRC. This approach ensures applicants have capital in a project and that the MRC is not financing 100% of the project cost. The MRC has up to \$50,000 of grant funding for Building Improvement Projects and \$150,000 of grant Adaptive Reuse projects. As shown in Tables 1 and 2 below, to determine how much grant funding a project is available first, determine the total project cost. Then subtract 25% of the total project cost for which applicants are to fund. The remaining 75% of the project cost may be funded with MRC grant and loan funding. The amount of grant funding may be 25% of the remaining funding needed but in no case can exceed \$50,000. The loan funding is then equal to 75% of the remaining funding but may be more if there is additional funding needed beyond the grant funding. The MRC, at their discretion, will determine the loan principle for a project. MRC loans interest rates will be equal the prime interest rate minus one (1) percent. Loans will be fully amortized over a 10-year period.

Applicants receiving Building Improvement or Adaptive Reuse funding shall obtain all necessary Building Permits from the Jefferson County Community Development Department within six (6) months of the date the MRC approves the necessary grant and/or loan documents for the project. Failure to obtain permits within this timeline, will invalidate the MRC’s funding approval. Applicants who have been awarded funding for which has been voided because Building Permits have not been obtained in a timely manner may re-apply for funding.

Table 1. Building Improvement Project MRC Financing Examples.

Total Project Cost	\$ 75,000	\$ 100,000	\$ 150,000	\$ 200,000	\$ 250,000	\$ 300,000	\$ 350,000
Owner Contribution (25% of Total Project Cost)	\$ 18,750	\$ 25,000	\$ 37,500	\$ 50,000	\$ 62,500	\$ 75,000	\$ 87,500
Remaining Funding Needed	\$ 56,250	\$ 75,000	\$ 112,500	\$ 150,000	\$ 187,500	\$ 225,000	\$ 262,500
MRC Grant (25% of Remaining Funding Needed)	\$ 14,063	\$ 18,750	\$ 28,125	\$ 37,500	\$ 46,875	\$ 50,000	\$ 50,000
MRC Loan (75% of Remaining Funding Needed)	\$ 42,188	\$ 56,250	\$ 84,375	\$ 112,500	\$ 140,625	\$ 206,250	\$ 215,625
NOTE Max. Grant	\$ 50,000						

Table 2. Adaptive Reuse Project MRC Financing Examples.

Total Project Cost	\$ 100,000	\$ 150,000	\$ 200,000	\$ 250,000	\$ 300,000	\$ 350,000	\$ 400,000
Owner Contribution (25% of Total Project Cost)	\$ 25,000	\$ 37,500	\$ 50,000	\$ 62,500	\$ 75,000	\$ 87,500	\$ 100,000
Remaining Funding Needed	\$ 75,000	\$ 112,500	\$ 150,000	\$ 187,500	\$ 225,000	\$ 262,500	\$ 300,000
MRC Grant (25% of Remaining Funding Needed)	\$ 18,750	\$ 28,125	\$ 37,500	\$ 46,875	\$ 56,250	\$ 65,625	\$ 75,000
MRC Loan (75% of Remaining Funding Needed)	\$ 56,250	\$ 84,375	\$ 112,500	\$ 140,625	\$ 168,750	\$ 262,500	\$ 300,000
NOTE Max. Grant	\$ 150,000						

APPROVAL CRITERIA

The MRC has mandatory and discretionary approval criteria for both the Building Improvement and Adaptive Reuse Programs as shown in Tables 3 and 4 below. Applications for either Program will need to satisfy these criteria. Applications that do not satisfy the approval criteria will be at risk of MRC denying funding approval.

Table 3. Mandatory Approval Criteria.

MANDATORY APPROVAL CRITERIA Building Improvement & Adaptive Reuse Programs	Applicable Criteria		Standard Met?	
	Building Improvement Program (X)	Adaptive Reuse Program (X)	Yes (X)	No (X)
1. Project is located in the MURD?	X	X		
2. Property is funding 25% or more of the total project cost with capital other than the MRC's?	X	X		
3. Requested funding is consistent with program grant and loan terms?	X	X		
4. Project is compliant with the applicable City of Madras Development Code?	X	X		
5. Project is compliant with the applicable City of Madras Public Improvement Design & Construction Standards?	X	X		
6. The proposal addresses inadequate, degraded, or obsolete building systems?	X	X		
7. The proposal addresses poor appearance or visible deterioration that discourages investment in surrounding properties?	X	X		
8. Exterior color scheme with 3 or 4 colors is proposed?	X	X		
9. Proposal includes store front windows that are transparent and Low-E?	X	X		
10. Storefront windows lighting designed to illuminate window displays?	X	X		
11. Decorative exterior lighting fixtures are proposed that include but are not limited, to sconces lighting, goose neck lighting, etc.?	X	X		
12. If appropriate with the proposed use, an outdoor seating and gathering places visible from the adjacent street(s) is provided?	X	X		
13. There is a walkway that connects to the sidewalk in the adjacent street to the principle building entrance(s)?	X	X		
14. The property owners and/or business owners City utility accounts are in good standing?	X	X		
15. The business owner possesses, or can reasonably obtain, a valid business license from the City.	X	X		
16. Proposal use will require a change in Occupancy (Building Code) which will require significant structure, mechanical, electrical, and/or plumbing improvements?		X		

Table 4. Discretionary Approval Criteria.

DISCRETIONARY APPROVAL CRITERIA Building Improvement & Adaptive Reuse Programs	Information Required?	
	Yes (X)	No (X)
1. Is the property located in the North or South Corridors or the Core Area as defined in the 2016 Urban Renewal Action Plan?		
2. MRC funding is consistent with current MURD debt financing strategy.		
3. Return of on MRC Investment (ROI)		
4. Number of existing and new jobs created from the project.		
5. What position would a loan from the MRC take on the property (1st, 2nd, 3rd, etc.)?		
6. Will the building, or tenant spaces therein, accommodate a business(es) that does not currently exist in the Madras Urban Renewal District?		
7. What is the local market saturation for the proposed businesses within the building(s)?		
8. Will the building, or tenant spaces therein, accommodate businesses that are in high demand for multiple businesses of the same type in the Madras Urban Renewal District?		
9. Will the proposed project inspire Cross Pollination between business by inspiring patrons to visit multiple businesses in a single trip to the downtown area (i.e. patrons visiting the bank, going to a salon, then visiting a restaurant or cafe)?		
10. If applicable, are the large spaces being designed so they can be divisible down to sizes more likely to be absorbed by the local market? (about 1,000 SF to 1,500 SF is optimal for retail)?		
11. Do the proposed improvements highlight building details that are unique to the building?		
12. Proposed building has interesting elements or unique materials that can be highlighted to make the structure engaging, eye catching, and inviting.		
13. Are opaque skylights, transom windows, etc. proposed in one-story buildings to allow natural light to illuminate portions of the interior floor space?		
14. Will any proposed outdoor art (murals, standalone installations, etc.) have lighting to illuminate the art in the evening?		
15. Are drop or false ceilings proposed to be removed to expose high ceilings?		
16. Fluorescent lights will be replaced with a range of general lighting & spot lights?		
17. Will the improvements generate tax Increment (increase property tax value). If so, approximately how much?		

MRC REVIEW PROCESS

Building Improvements and Adaptive Reuse projects will required applicants to have completed MRC’s Design Assistance program or have completed a significant amount of professional design services to establish a scope of work and cost estimate for the proposed improvements. Building Improvements and Adaptive Reuse applications will be reviewed on a quarterly basis. **Applications will be required to be submitted on January 1st, April 1st, July 1st, October 1st of each year.** Applications will be reviewed through the MRC’s Type C Review process which is a 120-day review process that includes a 30-day

completeness review by City staff after the application is filed. If there are any missing information, documentation, or otherwise, staff will notify the applicant accordingly. The applicant can provide the missing information or request that the application be reviewed and considered by the MRC as proposed. This is not recommended as the funding request is more likely to not be approved. Following the application being complete, City staff will have a 90-day period to review the proposal and draft a recommendation to the MRC based on the approval criteria stated herein. Additionally, during the 90-day staff review period, City staff will refer the proposal to COIC's loan officer to review the financial information submitted by the applicant. Then the MRC will consider the application over two public meetings. During the first meeting the MRC will receive a staff report and recommendation on the request, a presentation from the applicant, allow public comments. The MRC will not make a decision during the first public meeting on the matter. At the second public meeting, the MRC will receive a staff report, additional information from the applicant, accept public comments, and then consider formal action on the matter based on the proposal's consistency with the approval criteria. This process may be completed in less or more than 120-days depending on the complexity of the proposal. In any case, the MRC is not bound to make a decision within 120-days but strives to do so to provide consistency and predictability in the review process when considering Building Improvement and Adaptive Reuse projects.

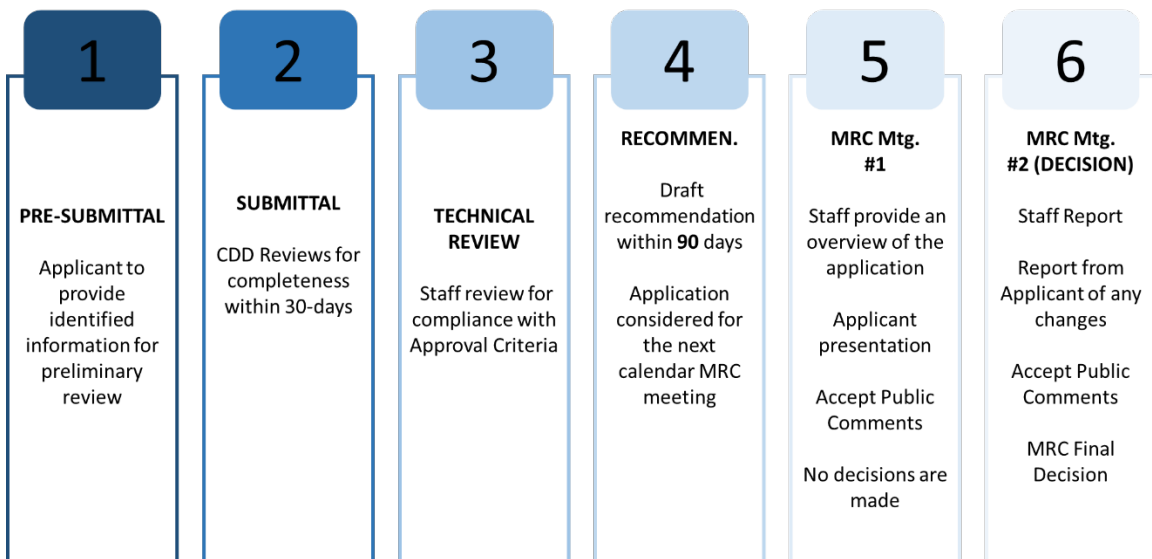
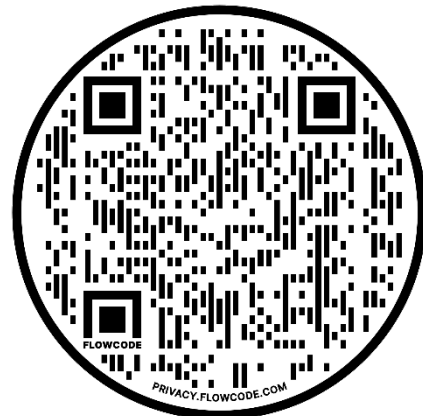


Figure 2. Type C Review Process

Questions?

Nicholas Snead
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 125 SW E Street
 Madras, OR, 97741
 541-475-2344
nsnead@cityofmadras.us



scan the QR code to view the application

CITY OF MADRAS
 125 SW E Street, Madras, Oregon 97741
 Telephone 541-475-2344

Madras Redevelopment Commission Program Application

Project Type		
Check only one:		
<input type="checkbox"/> Design Assistance	<input type="checkbox"/> Building Improvement	<input type="checkbox"/> New Housing Construction
<input type="checkbox"/> Paint Improvement	<input type="checkbox"/> Adaptive Reuse	
<input type="checkbox"/> Window Improvement	<input type="checkbox"/> Commercial New Development	

Applicant Information	
Name:	
Business Name:	
Address:	
City:	State:
Phone:	Email:
Applicant is the: Business Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Other <input type="checkbox"/>	

Property Owner Information	
Name:	
Address:	
City:	State:
Phone	Email:

Architect Information	
Name:	
Business Name:	
Address:	
City:	State:
Phone	Email:

Engineer Information	
Name:	
Business Name:	
Type of Engineer: <input type="checkbox"/> Civil <input type="checkbox"/> Mechanical <input type="checkbox"/> Structural <input type="checkbox"/> Surveying	
Address:	
City:	State:
Phone	Email:

Subject Property Information	
Address:	
Map & Tax lot:	
Size (acres):	Current Zoning:
Located in Floodplain: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

APPLICATION MATERIALS

Application Materials Building Improvement & Adaptive Reuse Programs	Information Required		Information Provided	
	Yes	No	Yes	No
Assessor’s Summary Report for the property(ies)				
Deed for property(ies) from County Clerk				
State of Oregon Business Registry Report for Business				
Legal Description of property(ies)				
Title Report for property(ies)				
W-9 for Business				
Business’ financial information deemed appropriate by COIC Loan Officer				
Site Plan drawn to scale:				
Adjacent Streets				
Points of access				
Existing & proposed easements				
Existing & proposed utilities (e.g. sewer, water, electric, gas, power)				
Location of Fats, Oil, Grease Separator				
Location of existing & proposed fire hydrants				
Existing & proposed water meter size				
Proposed improvements to public Rights-of-Way				
Off-and-On-Street Parking				
Area (sq. ft.) of impervious surfaces on property(ies)				
Sidewalks, patios, courtyards, and decks.				
Fences, screens, and retaining walls, incl. height and materials				
Existing & proposed structures				
Existing & proposed uses on the property				
Existing & proposed signage				
Existing & proposed trash & trash enclosure, incl. screening				
Photos of existing conditions of property & building(s)				
Elevation drawings for the structures proposed to be improved				
Floorplan for building &/or tenant spaces proposed to be improved				
Existing & proposed Occupancy for building &/or each tenant space				
Materials demonstrating compliance w. Residential Design Standards				
Itemized Cost Estimate incl. land acquisition, Design Services, Permit fees, & Contingency				
Construction Bids				
Estimated construction costs				

I, as the applicant, property owner, or representative thereof, have signed this application consenting to the filing of this application, proposed improvement(s). As such, I have examined all statements, information and all attached exhibits contained herein, and certify them to be true, correct, and accurate. I understand that any false statements may result in this application being denied. I authorize the City of Madras staff to enter the property for inspection of the site in conjunction with this application and all other associated permits, review, and inspections.

Applicant Signature

Date

Property Owner Signature

Date