



# **East Biloxi Business Façade Grant Program Guidelines, Procedures & Application**

Federal Programs Division, Engineering Department  
214-A Delauney Street  
Biloxi, MS 39530  
[www.biloxi.ms.us](http://www.biloxi.ms.us)

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# CITY OF BILOXI

## East Biloxi Business Façade Grant Program Guidelines

### **I. Purpose and Overview**

Funded with City of Biloxi Program Year 2018 Community Development Block Grant (CDBG) resources in the amount of \$100,000.00, the East Biloxi Business Façade Grant Program has been developed in compliance with U.S. Department of Housing and Urban Development (HUD) regulations and policies.

Its purpose is to benefit low- to moderate-income East Biloxi residents by encouraging local businesses to continue providing services and/or products in primarily residential neighborhoods within the Program Service Area (24 CFR Sec. 570.202(a)(3) and 570.208(a)(1)). Implementation of the façade grant program is intended to improve the overall appearance of participating businesses while enhancing residents' quality of life. The façade improvements also may stimulate business sales and improve property values in the neighborhood.

Façade grants will be awarded to eligible businesses through a competitive application process; the use of grant funds is limited to exterior rehabilitation of owner-occupied businesses, as identified in these guidelines. (24 CFR Sec. 570.202(a)(3) and 570.301)

This is a deferred grant program. A development lien shall be placed upon the property to be improved, which shall be cancelled when required program conditions have been met to the satisfaction of the City of Biloxi.

These guidelines are not intended to supersede any federal or state regulation. Federal and/or state regulations prevail in the event of any conflicts with the guidelines contained herein.

### **II. Eligibility**

Only owner-occupied, for-profit businesses are eligible to apply for a grant through this program **and**:

1. The businesses to be improved through participation in the program must be located in the East Biloxi Business Façade Grant Program Service Area and cannot be located on Division or Caillavet Street. The Program Service Area is outlined in Attachment A.
2. Only those existing businesses that have been in continuous operation in the Program Service Area since January 2014 are eligible to apply.
3. The property owner must possess clear title to the property; a temporary construction easement will be required by the City for the term of the project.

4. The property owner must be current on all City/County ad valorem taxes; have a current City of Biloxi Privilege License for the subject business; and provide proof of property insurance and flood insurance, if applicable.
5. The façade grant is exclusively for improvement of commercial property. Property with a residential, nonprofit or public use is not eligible; home-based businesses are not eligible.
6. The property owner must complete an East Biloxi Business Façade Grant Agreement and submit all required documentation before a contract will be awarded to perform the façade improvement work.
7. The property owner must commit in writing to maintaining the façade in good condition for a period of three years after completion of the grant project.

### **III. Deferred Grant Conditions**

To insure compliance with program requirements, a development lien shall be placed upon the subject property, recorded at the Harrison County Courthouse, Second Judicial District, State of Mississippi. At such time as the property owner has satisfied to the City's satisfaction the following conditions, the lien shall be released or "forgiven." (A sample of the lien document to be executed is attached to the application.)

1. The property to be improved through this program shall not be sold or leased for at least three years following final payment to the contractor.
2. The property owner must maintain the façade in good condition for a period of at least three years following final payment to the contractor.
3. The property owner must remain current on annual payments of City and County ad valorem taxes and shall maintain a current City of Biloxi Privilege License for at least three years following final payment to the contractor.
4. Should the City become aware of false information or false documents submitted to document program eligibility, the City shall immediately exercise its right to require repayment as detailed in the lien document.

### **IV. Procedures**

1. This HUD-funded program will be administered through the City of Biloxi's Federal Programs Division of the Engineering Department. Property owners shall submit their applications to the Federal Programs Division of the Engineering Department of the City of Biloxi. Incomplete applications will not be considered for a grant award.
2. Following review of applications for eligibility and compliance with program requirements by the Federal Programs Division, the East Biloxi Business Façade Grant Program Advisory Committee will review and provide to the City a written priority ranking for each qualified

application, which will be considered by the City. The final decision on grants to be awarded and in what amount must be approved by the City's governing authority as required by law.

3. Property owners being offered a grant award will be notified in writing by the Federal Programs Division and will have ten (10) business days from the date of the letter to accept the grant award.

a. Following award acceptance, an initial on-site meeting between City representatives and the property owner will be conducted.

b. In the following prioritized order, the City will identify the façade improvements the grant award is authorized and anticipated to cover (any amount that exceeds the grant award will be the property owner's responsibility):

Priority 1: Correction of exterior building code violations; abatement of asbestos hazards; and lead-based paint hazard evaluation & reduction (24 CFR Sec. 570.202(a)(3));

Priority 2: Rehabilitation of facades fronting on public streets, in compliance with the Biloxi Architectural and Historical Review Commission Design Review Guidelines and all applicable codes; and

Priority 3: Other exterior improvements requested by the property owner.

c. An initial City inspection, which will be detailed in writing and documented with photographs, will identify existing property conditions. From that assessment, a detailed scope of work and cost estimate will be developed, provided to and discussed with the property owner.

d. Periodic project development review meetings may be conducted by the City with the property owner. Scope of work adjustments may be made throughout the project development process to keep the cost of improvements within the awarded grant amount.

e. At the final project development review meeting, the City will present the property owner the final scope of work and final estimated cost. The property owner will approve the final project with the estimated final cost identified. Alternately, the property owner may decline the grant award.

f. If the agreed upon estimated cost for the final scope of work exceeds the grant award and the property owner wishes to proceed with the project, the property owner will provide the City with a certified check in the amount estimated in excess of the grant award (for example: cost estimate \$25,000; grant amount \$20,000; certified check due from property owner \$5,000).

g. Prior to advertising for bids, the City will complete a HUD-compliant environmental assessment for each property proposed to be improved through the East Biloxi Business Façade Grant Program. As part of this assessment, written approval of proposed activities is required by all applicable governmental authorities.

If during the environmental review, conditions are identified which would require mitigation costs exceeding the grant award amount, the City will not go forward with the project.

h. Prior to advertising for bids, the property owner will provide the City with a signed temporary construction easement.

i. The City will offer for bid each façade improvement project. If the bid recommended by the City for acceptance exceeds the estimated bid amount and the property owner wishes to proceed with the project, the property owner will provide the City with a certified check for the additional funds before the project contract is executed, in the same manner as described in item f above.

j. Once the work is complete, a final inspection will be conducted by the City. All punch list items must be completed before acceptance by the City and property owner and final payment is made.

k. The property owner is required to maintain the façade in good condition for a period of three years after completion of the project.

## **V. Application Information**

1. The City will solicit applications for the East Biloxi Business Façade Grant Program.
2. The application must be completed on the City's form (Attachment B) and submitted to the Biloxi Federal Programs Division with all of the following information:
  - a. Proof of ownership (warranty deed);
  - b. Proof of insurance for the subject building and property;
  - c. Flood insurance certificate, if applicable; and
  - d. Current City/County ad valorem tax receipts.

## **VI. Priority Areas & Improvement Priorities**

1. Awards may be made only to for-profit businesses located in the East Biloxi Business Façade Grant Program Service Area, identified in the map at Attachment A.
2. Businesses located on Division or Caillavet Street are not eligible to apply.
3. Residential, nonprofit and public properties and home-occupied businesses are not eligible for funding through this program.

4. Preference will be given to buildings that do not have major exterior code deficiencies.
5. Preference will be given to buildings that are historic landmarks or are contributing structures in a historic district.
6. Preference will be given to property owners contributing additional funds to the project.
7. Preference will be given to businesses located within the project area for the FEMA Infrastructure North Contract with Oscar Renda Contractor.
8. Specific façade improvements to be made will be determined based on availability of funds and community priorities in the following order of importance:
  - Priority 1: Correction of the following shall be made with façade grant program funds prior to any grant funds being expended on other eligible exterior improvements:
    - All exterior code violations to bring the exterior of the subject property into compliance with the most current adopted codes of the City;
    - Abatement of asbestos hazards; and
    - Evaluation and reduction of lead-based paint hazards.
  - Priority 2: Improvements to the exterior façade facing a public street, as designed and constructed in accordance with the Biloxi Architectural and Historical Design Review Guidelines and all applicable codes; and
  - Priority 3: Other exterior improvements requested by the owner.

## **VII. Maximum Grant Award**

The maximum grant award is \$20,000.00; a lower amount may be awarded.

## **VIII. Bids & Change Orders**

1. All bids shall follow the procurement procedures of the City of Biloxi and HUD.
2. Bids shall be submitted to:
  - City Clerk
  - City of Biloxi
  - 140 Lameuse Street
  - Biloxi, MS 39530
3. Bids shall be firm for a period of sixty (60) days from the date of bid closing.
4. Bids and construction contracts may be subject to Davis-Bacon wage determinations and Section 3 hiring policies.
5. The City reserves the right to accept or reject any or all bids or to waive any formality in the bidding process.

6. The City will execute a contract with the lowest and best bidder, in compliance with applicable procurement policies, and will be responsible for verifying that work is performed according to bid specifications.

7. Change orders must be approved in advance and in writing by the City and property owner. Any change orders above the grant award amount will be the responsibility of the property owner.

## **IX. Inspections**

1. The City shall perform appropriate inspections throughout the construction process. The property owner shall be afforded the opportunity to attend all inspections.

2. A Pre-Construction Conference shall be held with property owner, contractor and City to review the scope of work in the bid package.

3. Inspections also shall be made by the City to determine if the contractor is following the scope of work as outlined in bid package.

4. A final inspection shall be performed by the City once all work has been completed and all change orders have been executed to assure work has been completed to the satisfaction of the City and property owner. A written final inspection report with photographs of work completed shall be prepared by the City and signed by the property owner and contractor to document project completion.

## **X. Disputes**

All questions and disputes of decisions between the contractor and the property owner regarding façade improvement work or methods will be settled by the City. Any code or construction issues may be appealed to the Building Board of Adjustment and Appeals. All other unresolved appeals shall be appealed to the Biloxi City Council.

## **XI. Warranty**

The contractor shall provide a warranty for workmanship and construction materials for one (1) year following project completion.

## **XII. Appeals**

If an applying property owner disagrees with a decision made by the City regarding the award or lack of an award through the East Biloxi Business Façade Grant Program, the applicant may appeal the decision by submitting a written request to the City of Biloxi Federal Programs Division within ten (10) business days of the date of the written award decision.

The appeals process requires the letter detail the applicant's grievance(s) and the requested action. The letter should be address to:

City of Biloxi  
Federal Programs Division  
Engineering Department  
City of Biloxi  
P. O. Box 429  
Biloxi, MS 39533

### **XIII. General**

In compliance with HUD policies, no person who is an employee, agent, consultant, officer, elected or appointed official who exercises or has exercised any functions or responsibilities with respect to the City of Biloxi Community Development Block Grant (CDBG) Program or activities; or who is in a position to participate in the decision making process or gain from inside information with regard to Biloxi's CDBG Program or activities; or who may obtain a personal or financial interest or benefit from a Biloxi CDBG-assisted activity; or who has an interest in any contract, subcontract, or agreement with respect thereto or the proceeds there under, either for themselves or those with whom they have family or business ties, is eligible to apply for an East Biloxi Business Façade Grant.

# ATTACHMENT A

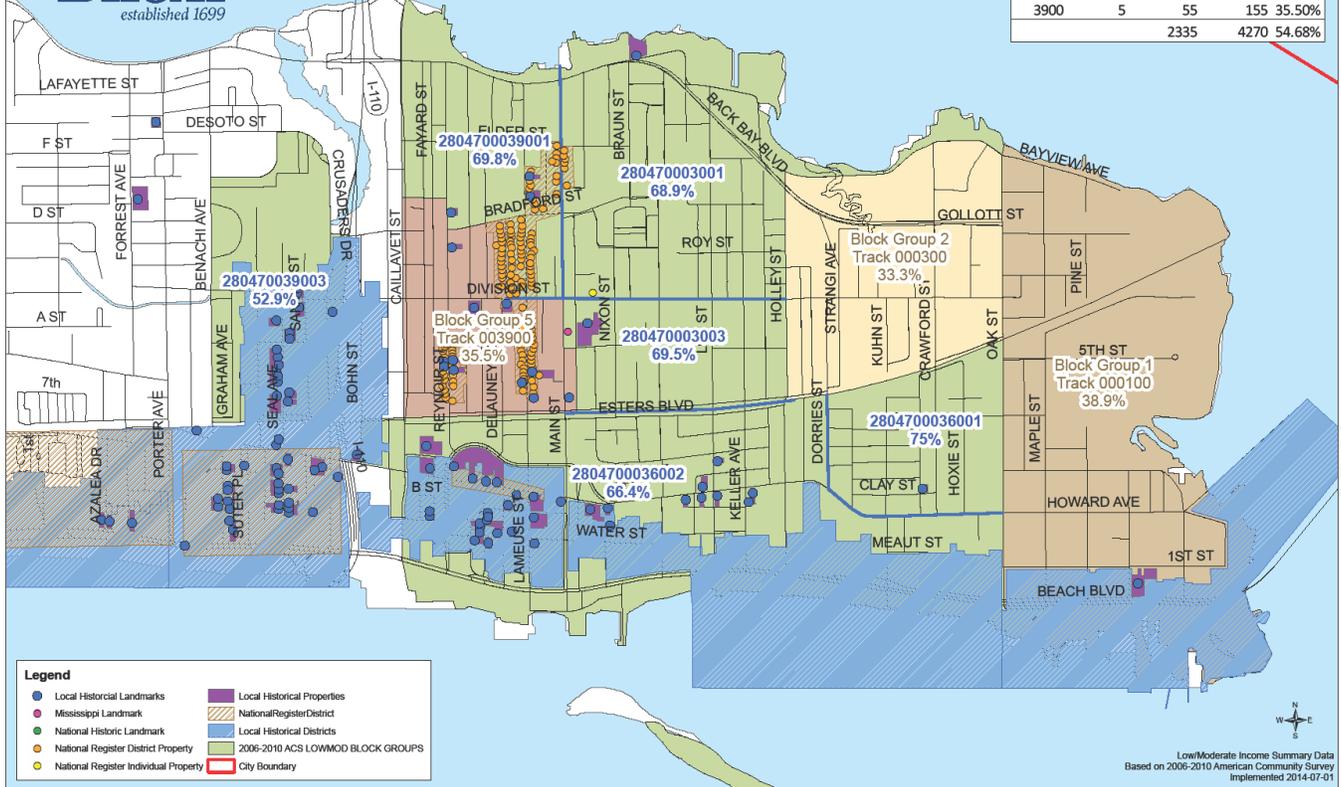
## Project Service Area Map

### East Biloxi Business Façade Grant Program



2018 CDBG Amendment Proposed  
 East Biloxi Facade Program Project Service Area  
 with Historical Districts and Landmarks

TRACT	BLKGRP	LOWMOD	L/M UNIV	L/M %
100	1	175	450	38.90%
300	1	410	595	68.90%
300	2	330	990	33.30%
300	3	330	475	69.50%
3600	1	135	180	75.00%
3600	2	455	685	66.40%
3900	1	220	315	69.80%
3900	3	225	425	52.90%
3900	5	55	155	35.50%
		2335	4270	54.68%



# ATTACHMENT B

## Application

### East Biloxi Business Façade Grant Program



**East Biloxi Business Façade Grant Program  
APPLICATION**

Date Received by City of Biloxi Federal Programs Division \_\_\_\_\_

**SECTION A – Applicant(s)/Owner(s) Information**

1. Full Name: \_\_\_\_\_

2. Home Address: \_\_\_\_\_

3. Mailing Address: \_\_\_\_\_

4. E-Mail Address: \_\_\_\_\_

5. Home Telephone: \_\_\_\_\_

6. Cell Phone: \_\_\_\_\_

**SECTION B – Information About the Property to Be Improved**

1. Legal Name of Business: \_\_\_\_\_

2. Physical Address: \_\_\_\_\_

3. Business Mailing Address: \_\_\_\_\_

4. E-Mail Address of Business: \_\_\_\_\_

5. Business Telephone: \_\_\_\_\_

6. Business Cell Phone: \_\_\_\_\_

7. Federal Tax ID No.: \_\_\_\_\_

8. Has this business been in continuous operation at this location since at least January 2014?  
Yes \_\_\_\_\_ No \_\_\_\_\_

**SECTION C – Documentation for Compliance with Program Guidelines and Rating Preferences**

Please attach a copy of the following information pertaining to the Business/Property:

	<u>Attached</u>
1. Warranty Deed/Proof of Ownership	_____
2. Current City & County Tax Receipts	_____
Current Year Paid _____	
3. Current Certificate of Insurance	_____
4. If applicable, Declaration of Flood Insurance	_____
Zoning Classification of Property _____	
5. Current Biloxi Privilege License	_____
6. If applicable, documentation of Business/Property historic landmark status or designation as a contributing structure in a historic district	_____
7. Does the structure to be improved have major exterior code deficiencies? Yes _____ No _____	
8. If a façade grant is awarded, but is insufficient to bring all exterior code deficiencies into compliance, are you willing to contribute additional funds to the project? Yes _____ No _____	
9. If awarded a grant, are you willing to give the City of Biloxi a temporary construction easement to implement a façade grant project? Yes _____ No _____	
10. If awarded a grant, will you commit in writing to maintaining the façade of the improved structure in good condition for a period of three (3) years after completion of the grant project? Yes _____ No _____	

**Statement of Understanding**

I understand and acknowledge that submission of this application does not guarantee a façade grant award. I also understand that award of a facade grant and implementation of a façade grant project is contingent upon a satisfactory environmental review of the subject structure and property (Finding of No Significant Impact) to be conducted by the City of Biloxi and its representatives in compliance with HUD regulations and policies.

Everything stated in this application is correct to the best of my knowledge. I understand that the City of Biloxi will retain this application whether or not it is approved.

The City of Biloxi is authorized to verify all information provided in or attached to this application.

**Applicant(s)/Owner(s) Signature(s):** \_\_\_\_\_

\_\_\_\_\_

**Date** \_\_\_\_\_

**For Staff Use Only**

**Review Date:** \_\_\_\_\_

**Comments:**

**By:**

**Required follow up:**

\_\_\_\_\_  
**Forwarded to Advisory Committee on:** \_\_\_\_\_

or

**Application incomplete and thus determined to be ineligible; letter sent to applicant on:**

\_\_\_\_\_

# ATTACHMENT C

## Sample Lien

### East Biloxi Business Façade Grant Program

THIS INSTRUMENT WAS PREPARED BY:  
Susan Pickich  
City of Biloxi Federal Programs Manager  
P.O. Box 429  
Biloxi, MS 39533  
228-435-6269

RELEASOR'S ADDRESS  
P.O. Box 429  
Biloxi, MS 39533  
228-435-6269

RELEASEE'S ADDRESS  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF MISSISSIPPI  
COUNTY OF HARRISON

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM LIEN

KNOW THAT ALL MEN BY THESE PRESENTS, THAT

WHEREAS, \_\_\_\_\_, has been awarded a deferred payment loan with a three (3) year forgivable clause in the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), under the Community Development Block Grant Program, which funds will be used to improve the property situated at the following described real estate, same being situated in the City of Biloxi, Harrison County, Second Judicial District, State of Mississippi, described as follows, to wit:

Legal:

However, this loan is made upon the following conditions: the then outstanding principal balance of the loan shall be immediately due and payable on the occasion of the earlier of the following two events: (1) When none of the signatories listed below, own any interest in the real property above, or (2) the said real property ceases to be the principal business of any of the signatories.

The outstanding principal balance of this loan shall decrease by the amount equal to thirty-three percent (33%) of the original principal sum (as listed above in this lien) on each anniversary date of the loan, provided the event or events described in the preceding paragraph have not occurred prior to that anniversary date. If the said event or events do not occur prior to the third anniversary date of the loan, then the lien shall be marked "satisfied and canceled" and the lien shall be released.

If a lien is established against said property as herein above stated, and the owner/occupant does not discharge said lien, then the City of Biloxi is hereby authorized and empowered to sell the property at auction for cash at the County Courthouse in Biloxi, Mississippi, after first having given notice thereof for three weeks by publication in any newspaper then published in said city and county, and execute proper conveyance to the purchaser. Out of the proceeds of the sale, the City of Biloxi shall first pay all expenses incident thereto, together with a reasonable attorney's fee, then retain enough to pay the balance due on said loan, together with any sums advanced for delinquent taxes, assessments, or insurance premiums, and the balance, if any, paid over to the owner/occupants or his or her assigns.

Owner/Occupant further agrees to pay all taxes and assessments, general or special, levied upon the real estate herein above described to comply with all terms and conditions herein contained.

EXECUTED this the \_\_\_\_ day of \_\_\_\_\_, 2019.

CITY OF BILOXI

BY: \_\_\_\_\_  
MAYOR A.M. GILICH, JR.

ATTEST: \_\_\_\_\_  
STACY THACKER  
MUNICIPAL CLERK

STATE OF MISSISSIPPI  
COUNTY OF HARRISON

Personally appeared before me, the undersigned authority in and for the said county and state, on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, within the jurisdiction, the within named A.M. Gilich, Jr. known to me to be the Mayor of the City of Biloxi, and who acknowledged that for and on behalf of the City of Biloxi, he executed the above and foregoing instrument, after first having been duly authorized so to do.

\_\_\_\_\_  
NOTARY PUBLIC

MY COMMISSION EXPIRES: \_\_\_\_\_