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## PROPERTY IMPROVEMENT PROGRAM GUIDELINES AND APPLICATION

### **PURPOSE**

To establish policy guidelines and procedures regarding the grant application and award process for the City of Rancho Mirage Property Improvement Program.

### **INTRODUCTION**

The primary purpose of the Property Improvement Program (“PIP”) is to enhance the visual appearance, viability and long-term success of the City’s commercial districts. The PIP offers financial assistance to property owners and businesses that own and/or operate establishments, which are commercial in nature, and are located within a shopping center or along Highway 111, within the city limits of Rancho Mirage. Businesses that are not physically located on Highway 111, but are in close enough proximity to have a significant impact on the appearance of the Highway 111 corridor, as well as hotel properties, may also qualify for participation.

The following program guidelines act to detail the various aspects of the program including: eligibility, structure of assistance, the application and design review process and the construction phase. Eligibility of specific properties and proposed improvements shall be determined by City staff in accordance with these guidelines and budgeted funds.

Assistance through the program is only available for qualifying approved improvements that are started and completed after issuance of the City’s written authorization to proceed.

### **ELIGIBILITY**

#### Area

The PIP is available to assist property owners and businesses that own and/or operate commercial establishments located within a shopping center or along Highway 111, within the city limits of Rancho Mirage. Properties in close proximity to Highway 111 and hotel properties will be considered on a case-by-case basis to determine if assistance through the program is warranted.

#### Applicants

Either property owners or tenants can apply for assistance through the PIP. Tenants will be required to provide adequate documentation of the property owner's consent prior to consideration for the program.

### Improvements

Improvements that will be considered for assistance through the program are those that will result in a significant improvement to the physical appearance of a property and will thus depend on the particular needs of the property in question. Generally improvements that could qualify for assistance include but are not limited to: façade renovation, architecturally upgraded sign structures and related signage, paint, doors, windows, awnings, exterior lighting, landscaping, parking lot improvements, fencing/walls, solar photovoltaic systems and other "green" improvements, soft costs such as permit fees, architectural design and construction management services. The use of energy efficient materials during the improvement process is encouraged. Proposed improvements to businesses that are part of a multiple tenant building will be considered based on the overall impact the improvements will have on the visual appearance of the entire property.

## **PROGRAM ASSISTANCE**

### Financial Assistance

**Prevailing Wage:** Due to California Labor Code and the funding source for this program, work completed with assistance through the PIP may be required to be paid pursuant to the California Department of Industrial Relations prevailing wage requirements and cost schedule. Unless otherwise instructed following consultation with City staff, please ensure that all applicable estimates and bids for construction are completed in accordance with these requirements, as failure to do so can result in significant fines that will be the responsibility of the applicant.

### *Monument Sign Replacement or Refurbishment*

Subject to funding, the City will provide a grant of up to \$10,000 for approved monument signs. Any approved cost above the \$10,000 grant will be split between the City and applicant utilizing an 80/20 ratio matching grant. As an example, if the monument sign has a total cost of \$15,000, the City would pay the first \$10,000. The remaining \$5,000 would be split with the City paying \$4,000, or 80%, while the applicant would be responsible for \$1,000, or 20%. The grant will be provided as direct payment to the contractor based on detailed invoices for approved work. City staff shall determine the maximum assistance package in accordance with the guidelines and procedures outlined herein.

### *Property Improvements*

Subject to funding, properties in need of a significant level of improvement will be considered for financial assistance in the form of 80/20 ratio matching grants of up to \$100,000 for qualifying improvements. As an example, if the improvements have a

construction cost of \$25,000, the City would pay \$20,000, or 80%, while the applicant would be responsible for \$5,000, or 20%. Any cost above the \$100,000 maximum will be the responsibility of the applicant. The grant will be provided as direct payment to the contractor based on detailed invoices for approved work.

Properties in need of financial assistance in excess of the maximum \$100,000 allowed in the program guidelines may be provided with additional funding, at the discretion of the City Council.

### Technical Assistance

The City will provide assistance to applicants through the conceptual design stage at no cost to the applicant. Additionally the City may hire a licensed architect, the cost of which will reduce the maximum grant value, to refine the conceptual design depending on the scope of work. The determination as to whether a proposed project meets the standard to hire a licensed architect will be made by the PIP team, consisting of staff members from various departments within the Development Services Department.

## **PROCEDURES**

Prospective applicants should first meet with Economic Development Division staff to discuss the parameters of the program, the goals of the applicant and the application and review process. This initial discussion will provide both parties with an idea of how and to what extent the program might assist the property in question. Projects will be reviewed on a broad scale taking into consideration the overall condition of the property.

After this initial meeting, applicants will follow the procedures outlined below based on the level of assistance determined during the initial meeting with Economic Development staff.

### Monument Signs

1. File an application for assistance.
2. Upon initial approval of the application, meet with Economic Development staff to discuss parameters of the proposed project.
3. Work with staff to determine design guidelines and cost.
4. Meet with Economic Development staff to facilitate the execution of an Owner Participation Agreement prior to commencing with construction.

### Property Improvements

1. File an application for assistance.
2. Upon initial approval of the application, meet with Economic Development staff to discuss the proposed improvements and preliminary concepts. If the scope of the

project requires professional drawings continue to Step 3. If professional drawings are not required skip to Step 4.

3. Work with the PIP team and architect to have professional designs drawn.
4. Process Minor/Major Modification approval (determination to be made by the Development Services Director):
  - a. Minor Modifications can be approved at staff level, but may still require approval by the City's Architectural Review Board.
  - b. Major Modifications must be reviewed by the City decision-making body that originally had final approval for construction of the project or property in question.
5. Meet all submittal requirements imposed by the Planning Department and/or the City's Architectural Review Board.
6. Meet with Economic Development staff to facilitate the execution of an Owner Participation Agreement prior to commencing with construction.
7. Receive written authorization to proceed and begin construction.

## **CONSTRUCTION**

Once the project receives all necessary approvals and the required Owner Participation Agreement has been executed, the applicant will receive a written authorization from the City to proceed. Please note: only qualifying approved improvements that are started and completed after issuance of the written authorization to proceed will qualify for assistance. Any costs related to work started prior to receipt of the written authorization to proceed will be the sole responsibility of the applicant.

Unless otherwise authorized by City staff, applicants must commence construction of approved projects within sixty (60) days of approval or the project will be deemed as expired. Furthermore, all work must be complete within one hundred eighty (180) days from the issuance of the written authorization to proceed. Failure to complete the project in this timeframe will result in the project becoming ineligible to receive assistance through the PIP. Additionally, the applicant must maintain the improvements at his/her sole expense for a period of five (5) years, in accordance with customary City standards. Any changes to the improvements must be approved by the City prior to making the change.

Applicants are required to obtain and produce three detailed bids from licensed contractors to construct the improvements. As previously noted, these bids may need to conform to prevailing wage rate requirements. Bids from each contractor must be itemized so that a cost is associated with each task or material to be installed. The applicant must review the 3 bids with Economic Development Department staff prior to hiring the contractor.

The applicant (if not the property owner) and all contractors, subcontractors and material providers that are hired must hold a valid City of Rancho Mirage business license. Applicants who do not hold a valid business license, or who allow work to be completed by

parties that do not hold a valid City of Rancho Mirage business license, will be denied reimbursement.

Upon receipt of the City's written authorization to proceed, the applicant will hire a contractor and will follow the procedures outlined below.

1. Prior to commencing construction of the improvements, the applicant shall allow staff to take photos of the project in its "before" stage.
2. Applicant makes payment equal to twenty percent (20%) of the amount due, to the City.
3. Applicant schedules and monitors construction of the improvements.
  - a. Contractors must construct the project improvements as specified in the final design.
  - b. Any changes previously agreed upon and contracted must have prior written approval of Economic Development staff. It is the responsibility of the applicant to notify staff of these proposed changes in writing.
4. Applicant ensures that all work on the project is completed as previously approved and at a satisfactory level. Unsatisfactory work, or work not included in the approved plans will not be eligible for reimbursement or payment through the program.
5. When invoiced, City staff issues payment to the contractor, suppliers, vendors or other appropriate parties based on approved detailed invoices submitted by the applicant.
6. Upon completion of the approved improvements, applicant contacts Economic Development staff to schedule a final inspection.
7. City staff completes inspection of improvements, takes "after" photos of the property.

## **TERMINATION**

The City of Rancho Mirage reserves the right to terminate any agreement under the PIP if a participant is found to be in violation of any conditions set forth in these guidelines or if the project has been started prior to an executed agreement with the City of Rancho Mirage.

## **APPLICATION AND INFORMATION**

If you wish to participate in the PIP or would like additional information, please contact Joseph Carpenter at (760) 324-4511 or [josephc@ranchomirageca.gov](mailto:josephc@ranchomirageca.gov).