

In the Appendix to Chapter 7

The Appendix to Chapter 7 contains the following:

- Downtown Revitalization Administration plan template.....2
- DTR Sample Easement Agreement7
- DTR Sample Terms of Construction Agreement12

Administrative Plan Content Guidelines

CDBG Downtown Revitalization Projects

Overview

The Iowa Economic Development Authority (IEDA) is requiring all recipients of CDBG Downtown Revitalization (DTR) grants to submit a final version of their Administrative Plans at the beginning of their project. This plan is subject to IEDA review and approval, and any subsequent changes to the plan are also subject to IEDA review and approval. The plan must be uploaded and submitted in IowaGrants.gov and approved by IEDA prior to the first draw for the project.

IEDA has provided a sample Administrative Plan template to assist recipients in finalizing their own. This includes roles for the city, grant administrator, architect, general contractor, and property owners. The sample also includes a project manager designated by the city, although those tasks could be absorbed by another entity listed in the Administrative Plan.

This sample does not cover every potential task or responsibility in administering a DTR project, especially those tasks that are typical to any CDBG grant funded project. Please feel free to add other responsibilities that would be helpful for you to have documented.

This Plan is intended to ensure the city can better:

- Oversee compliance with the city's contract with IEDA and CDBG regulations.
- Avoid delays due to responsibilities being shared by too many individuals and the resulting confusion on who executes what step.
- Avoid delays due to a responsibility not clearly identified with a particular person or position.
- Keep an open flow of communication between all affected parties
- Mitigate any disagreements/misunderstandings between parties that may arise
- Keep the right people informed on matters pertaining to their responsibilities.

Instructions

The following is a list of roles that will exist for your community's CDBG Downtown Revitalization project. Editing options may include but are not limited to:

- Moving responsibilities to another entity represented on the Administrative Plan;
- Adding responsibilities that would be helpful to have in this documented plan; or
- Replacing some responsibilities with more specific steps that are delegated to more than one party (for example, change orders during construction and the steps of communication involved).

You should send your edited draft Administrative Plan to your IEDA project manager for review prior to securing the Mayor's signature.

This Administration Plan should be a useful tool that can be referred to as the project progresses. The city must ensure that any expectations outlined and approved by IEDA in this Administration Plan do not conflict with the terms of their contract with their grant administrator, architect, etc. Contact IEDA with any questions about consistency with other contracts.

Fill in the blanks on the sample Administrative Plan below to list the designated person and firm, as applicable.

Administrative Plan for the City of _____

Contract # _____

For submittal to the Iowa Economic Development Authority (IEDA)

City: _____

- ✓ Assume ultimate responsibility for the overall grant project, as the HUD designated Responsible Entity in accordance with 24 CFR 58.
- ✓ Monitor project timeliness to ensure project goes out to bid within a year of contract start date.
- ✓ Monitor and provide information on deletion/substitution of properties. In the event of the contract performance measure changing (total number of buildings) an amendment must be requested of IEDA.
- ✓ Ensure property owners are refraining from any other prohibited work on their building that is not a part of the CDBG façade project.
- ✓ Review sample Easement Agreement and Construction Terms Agreements with city legal counsel. Once executed, oversee to ensure compliance.
- ✓ Communicate with property owners on any proposed change orders during construction, including how it may impact the property owner's financial contribution, as well as timing changes resulting from the potential of re-opening Section 106 consultation, (if applicable).
- ✓ Review/ approval of change orders as the contract with general contractor specifies.
- ✓ Monitor and collect property owner's financial participation share.
- ✓ Provide Council review and approval of invoices prior to submittal of a claim to IEDA or have a Council-approved written policy outlining an alternative process for approving bills.

Grant Administrator: _____

- ✓ Act as liaison with IEDA staff.
- ✓ Determine if initial survey work is required for the evaluation of properties in the project area for listing on the National Register of Historic Places. If such services are needed, work with the City to procure a consultant who meets the Secretary of the

Interior's Professional Qualification Standards for Historian and/or Architectural Historian to survey the project area and generate Iowa Site Inventory Forms for participating properties.

- ✓ Contact IEDA Historic Preservationist on Section 106 related questions. Compile Section 106 Submittals including cover letters, Iowa Site Inventory Forms, etc. Submit construction documents to IEDA Historic Preservationist and Project Manager for simultaneous 106 and slum and blight review.
- ✓ Ensure that procurement, bidding and contracting all follow the most recently issued federal provisions/requirements.
- ✓ Monitor compliance with federal labor standards, including but not limited to: wage rate determination request to IEDA; completing contractor clearance forms for all contractors/subcontractors as soon as contractor is selected; weekly payroll processing and contractor employee interviews.
- ✓ Maintain an up-to-date project budget with contingencies and alternates including reviewing any post-construction change orders as they may impact budget.
- ✓ Monitor project timeliness.
- ✓ Maintain a list of properties, addresses and owners on IowaGrants.gov
- ✓ Coordinate all amendment requests to IEDA
- ✓ Review and approve contractor pay requests prior to submittal to the city and sending to IEDA for a claim.

Architect: _____

- ✓ Maintain services contract pricing in accordance with CDBG requirements. Use a lump sum or not to exceed amount for all expenses, not based on a percentage of construction cost, not adding percentage onto expenses.
- ✓ Have the documentation to know if properties in the project area are listed on or eligible for listing in the National Register of Historic Places and adhere to work specifications and historic preservation guidelines when applicable.
- ✓ Receive input from property owners about the design for their building, including their priorities for improvements and their capacity to supply a monetary match.
- ✓ Provide updates on cost estimates and property owner general priorities as well as feedback received on designs to grant administrator and/ or city.

- ✓ Complete designs in a timely manner to ensure project goes out to bid within one year of the contract start date.
- ✓ Provide designs and construction documents to grant administrator for submittal to IEDA.
- ✓ Review & preliminary approval of contractor pay requests.
- ✓ Review & preliminary approval of change orders.
- ✓ Provide on-site construction supervision (a certain number of visits for this purpose may be assigned in the contract).
- ✓ Provide any design and construction documents to grant administrator for submittal to IEDA for any significant changes in scope of work that occur at any point after initial Section 106 or slum & blight review.
- ✓ Final inspection and sign-off on properties prior to payment.

Property Owners: List maintained on IowaGrants.gov

- ✓ Respond to city or their designee regarding status of participation in the program, as well as timely responsiveness with architects and others.
- ✓ Review and Sign Easement Agreement and Construction Terms Agreement prior to construction.
- ✓ Avoid conducting any other work on the building that is not a part of the CDBG façade project, (unless permission is granted by city beforehand).
- ✓ Review & approval of work write up, design renderings and cost estimates
- ✓ Review & approval of change orders, particularly those affecting owner's financial commitment.

General Contractor: To be determined through procurement

- ✓ Oversee all subcontractors' compliance with labor standards and other provisions
Gather and submit information for Sub-Contractor Clearance forms as soon as contract is awarded.
- ✓ Submit weekly payroll reports to grant administrator along with other required documentation to comply with labor standards.
- ✓ Communicate with grant administrator and subcontractors regarding schedule for the purposes of on-site contractor interviews and/or building inspections.
- ✓ Coordinate with City regarding any parking, motor vehicle traffic or bicycle or pedestrian travel disruptions.

- ✓ Coordinate with property owner to minimize business disruptions.

Project Manager designated by the City: _____

- ✓ Communicate to all property owners on the status of design, timeframes, and accomplishments; both to those with buildings being worked on and owners in the target area as a whole.
- ✓ Communicate with property owners about whether or not they are participating in the project, and to what level.
- ✓ Resolve complaints involving property owner, contractor, architect, etc.
- ✓ Serve as project liaison with local organizations such as city council; main street board; historic preservation commission; chamber of commerce; downtown merchants, etc.

On behalf of the City of _____, I certify that this Administrative Plan for the City's Downtown Revitalization CDBG grant will be our method of operating throughout the course of our project. Any amendments to the plan will be submitted to IEDA for review and approval.

Chief Elected Official/ Mayor Name Printed Here

Signature

Date

SAMPLE EASEMENT AGREEMENT

*This is a template easement agreement, provided by the Iowa Economic Development Authority (IEDA). Any legally-binding document that the city is using to comply with federal regulations should be reviewed and changed, as necessary, by legal counsel. This template should not take the place of legal counsel review. **The final version for local use should be reviewed by local legal counsel and IEDA prior to execution and recording.***

IEDA's requirements for the easement:

- Easement must be in place for at least the timeframe of the community's grant agreement with IEDA.
- IEDA advises signature of an agreement similar to this prior to the city entering into any construction contract
- Must protect the federal investment during specified time frame
- Must be signed by property owner (deed holder) and the easement holder (city) Note: Both signatures must be notarized prior to recording
- Must be recorded at the applicable county office, then submitted to IEDA
- Must be submitted to, and approved by, IEDA prior to first program construction draw

Flexibility of template:

- This document includes language gathered from municipal legal counsel that has been recommended to communities.
- Specify in the applicable blank, before the "exterior facing 24 inches of the structure" whether the easement is on just the front, or both the front and side, or includes a portion of the roof (or in rare circumstances, the rear). If there is a side façade included, the city should specify which side.
- The city may want to describe its own process, as provided in a sample (# 4), regarding how the property owner may go about requesting to make changes to their façade in the easement period.
- Communities may adjust, remove or add language to this agreement, provided those changes do not conflict with IEDA's requirements.
- Additional language that solely applies to the duration of the city's CDBG grant and construction timeframe and activities should be incorporated into the "Terms for Construction Agreement" form.

SAMPLE Façade Easement Agreement

This Easement Agreement is made ___(date)___, between ___(owner's name)___
"Property Owner" and the ___City of (), Iowa "Easement Holder", a (municipality organized under the laws of the State of Iowa),

WITNESSETH

WHEREAS, the Property Owner's Property, located in (name of county) County, Iowa, legally described as:

SEE ATTACHED EXHIBIT "A" (legal description) **Parcel ID**

And locally known as (Address), (city) Iowa (zip code); and.

WHEREAS, this property is located in the Downtown Business District and Designated DTR Target Area; and

WHEREAS, the property owner desires to participate in the (city) Façade Improvement Project and the property is hereafter referred to as "the Easement Property" or "the Property Owner's property"; and

WHEREAS, the Property Owner has been thoroughly acquainted and advised of the terms, conditions and provisions of the (city) Façade Improvement Project; and

WHEREAS, the Easement Holder, the City of _____ is carrying out a program to revitalize the Downtown Business District and Designated DTR Target Area; and

WHEREAS, the grant of this easement will assist in protecting and preserving the quality of the area in which the property is located.

NOW THEREFORE, in consideration of the mutual covenants and promises in this Easement Agreement and for the benefit of all parties, Property Owner hereby grants, conveys and transfers to the Easement Holder, a Façade Easement for a term lasting _____ years from the date of the signing of this document, (as long as that period is equal to or longer than the grant period) or for the actual length of the grant period, in and over, that portion of the herein described property consisting of the _____ (specify front, side(s), roof ,or rear as applicable) exterior-facing 24 inches of the structure. This includes all architectural and construction features visible from any point on the public way outside of the building, including without limitation structural materials, facing materials, windows, doors, trim, sills, steps, railings, roofing materials, cornices, moldings, fences and other associated features, in addition to connected interior features that necessitate modification or maintenance in order to rehabilitate and maintain the publicly visible features.

For the period of the grant agreement contract with IEDA, or as stated in the immediately preceding paragraph above, the following restrictions are imposed upon the use of the Easement Property. In accordance with the policy of the City and Property Owner, its successors and assigns covenant to take and not take the following actions in and upon the Easement Property that Easement Holder is entitled to enforce as follows:

1. For the easement period, Property Owner will retain and maintain the façade on the building(s) now located on the property and will at all times maintain the same in good condition and repair. In the event of the total destruction beyond the control of the Property Owner, the easement shall become null and void.

2. The Easement Holder, to ensure the effective enforcement of this Easement, shall have, and the Property Owner hereby grants the following rights:
 - a. If Property Owner knowingly or willfully violates or allows the violation of this easement, upon reasonable notice to the Property Owner, Easement Holder may enter upon the Easement Property and correct such violations and hold Property Owner responsible for the corrective costs, and

3. Property Owner shall seek no reimbursement from Easement Holder for any taxes, mortgages, liens, deeds to secure debt, or other obligations attaching to or constituting a lien on the property. Property Owner agrees to indemnify and hold Easement Holder harmless from any claims of third persons, including court costs and attorney's fees, arising out of Easement Holder's acceptance and holding of this easement. Easement Holder shall not be liable to contribute to the maintenance of the Premises. If Easement Holder would have to file suit or take any other action to enforce this agreement, Property Owner shall pay Easement Holder's reasonable attorney's fees and all other costs associated with any such required action.

4. At any time during the duration of the easement, any alterations, modifications, destruction or additions made to the facade improvements funded in part by CDBG funds shall be subject to the prior written approval of the City of _____. Such written approval, or disapproval, shall be issued by the city within not more than thirty (30) days of the owner's submittal of a written request or the request shall be considered approved. Provided however that nothing in this paragraph shall be construed to prevent ordinary or emergency maintenance, repair, cleaning, repainting, refinishing, remodeling, etc .so long as it does not change the appearance, or detrimentally affect the condition of the facades as they exist at the time of completion of the improvements hereunder.

This agreement is binding on the Property Owner, their heirs, assigns or successors in interest to the property and shall run with the land on the Easement Property until expiration.

Signed this _____ day of _____, (year).

PROPERTY OWNER(S) - _____ (Print name)

_____ (Signature)

EASEMENT HOLDER – (NAME OF CITY)

Easement Holder Representative Name and Title Printed Here

_____ (Signature)

State of Iowa
(_____) County

SUBSCRIBED and sworn to before me by the said _____ on this ____ day of _____, (year).

Notary Public in and for the State of Iowa.

STATE OF IOWA, COUNTY OF (____):

On this ___ day of _____ 20___, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared (*names of easement holder representatives*), to me personally known, who, being by me duly sworn, did say that they are the (*easement holder title*), respectively, of (*the City of (____), Iowa; a municipal corporation*); that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation, by authority of its (*City Council AND/OR Board of Directors*), and (*Easement Holder's representatives' names*) acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

Notary Public in and for the State of Iowa.

TERMS OF CONSTRUCTION AGREEMENT

*This is a template for a Terms of Construction Agreement, provided by the Iowa Economic Development Authority, for a signature by property owners participating in the Downtown Revitalization Program, local façade improvement project funded in part by Community Development Block Grant funds. Any document that the city is using to comply with federal regulations should be reviewed and changed, as necessary, by city legal counsel. This template should not take the place of legal counsel review. **The final version for local use should be reviewed by local legal counsel and IEDA prior to execution.** This document is a separate agreement from the Easement Agreement and should be executed as such. Recording of this document is not required.*

- *Timeframe of acknowledgement form:* This agreement has the same time period as the city's CDBG grant contract duration and this is not part of the recorded easement. IEDA advises signature of an agreement similar to this prior to the city entering into any construction contract.
- *Flexibility of this template:* Communities may adjust, remove or add language in this form, with the exception of the "Acknowledgement of limitations and requirements on other work to this property," which must remain as is for grant compliance purposes. The other sections cover topics that have been or may be necessary or helpful for owners to acknowledge prior to construction. For example, a section on change orders has been added which acknowledges property owner's financial commitment. That provision can be modified depending on local preferences. Finally, a not-to-exceed amount may be added at local discretion capping property owner participation in the event of change orders or unforeseen cost overruns.
- *Signatures needed:* This template only requires signature by the property owner. This approach can be changed locally to add language and other signatures, such as one by the city. That is a local decision. Signed agreements must be submitted to, and approved by, IEDA prior to the first program construction draw.

SAMPLE Construction Terms Agreement

Definitions, for the purposes of this document:

- “This property” refers to _____(address), owned by _____(one or more persons or entity).
- “Construction timeframe” is considered to be until the end date of the city’s Community Development Block Grant, contract # _____, as well as the duration of my agreement to the terms outlined in this document.
- “Façade” refers to that portion of the herein described property consisting of the exterior facing 24 inches of the structure. This includes all architectural and construction features visible from any point on the public way outside of the building, including without limitation structural materials, facing materials, windows, doors, trim, sills, steps, railings, cornices, moldings, fences, roofing materials and other associated features. Additionally, facade includes connected interior features that necessitate modification or maintenance in order to rehabilitate and maintain the publicly visible features.

Acknowledgement of scope of work, cost and payment arrangement

I concur with the *(final scope of work description, bid specifications, and/ or renderings)* as it relates to my building’s façade, reviewed on date)_____ and attached as Exhibit A to this document. I understand that as a condition of being included in the project, I will be required to contribute ___% of the cost of the project, including any approved change orders. I understand that the cost for the scope of work to this facade is \$_____ and the ___% owner contribution will be \$ _____, or a not to exceed figure of \$_____.

I agree, as my contribution for the façade improvements, to invest in the project a sum of \$_____ or a not to exceed figure of \$_____. I agree to deposit these funds with the *City of _____* upon completion and acceptance of construction or on or before (date)_____. *(Or alternative amounts and dates for a series of payments).*

I understand that the *(City of _____)* has the right to place a lien against this property to secure my payment.

Construction expectations

I understand that the city or other duly authorized agents will be responsible for supervision and coordination of the performance of the contract for implementation of the façade renovation to this property.

I further understand that, in the event that a change order to the original scope of work is deemed necessary by the contractor with the concurrence of the city, I will be expected to pay either an amount up to the not to exceed figure if noted above, or a proportion of any increased cost due to implementation of such change order in the same percentage as the owner contribution as noted above.

The city or other duly authorized agents or contractors may enter upon this property to perform any required work after first giving me reasonable notice. For the terms of this document, "reasonable notice"

shall include forty-eight (48) hours' notice via telephone, verified email response, person to person contact, or proof of my receipt of notice via certified U.S. Mail delivery.

Acknowledgement of limitations and requirements on other work to this property

I have been informed that any other non-emergency or non-routine maintenance work, besides as outlined by this façade project, on my entire building including construction, rehabilitation and changes of materials, is not permitted until after the city's grant with the Iowa Economic Development Authority is closed. If I have questions about that timeframe or status of contract closeout, I will contact the city.

Signed this _____ day of _____, 20____

_____ (Print Name)

_____ (Signature)