

CDBG SLUM AND BLIGHT – INITIAL DOCUMENTATION

An activity in a Commercial Building Facades program must meet certain criteria in order to meet the national objective of elimination or prevention of slum and blight. This is documented in three phases: first, the application, in which the blight conditions are established; second, the Section 106 historic review process, in which the final designs containing plans to address that blight are reviewed and approved; third, the final “before and after” photos, in which the finished product shows successful eliminated of blight.

Within the initial application phase, there are four main tasks to establishing slum and blight conditions:

- ✓ The city must **complete the requirements of Iowa Code chapter 403** for the target area, including **adoption of a resolution** within two years prior to the time of application submittal.
- ✓ A **map of the slum and blight target area** is created with locations of buildings proposed for funding identified and the current condition of all buildings visually denoted.
- ✓ A **Slum and Blight Summary** narrative response is completed within the lowagrants.gov application.
- ✓ A **Slum and Blight Inventory** form is completed within the lowagrants.gov application for every building in the slum/blight area. High-level data is required for every building and more specific data and photos are required for any building proposed for improvements with Community Development Block Grant (CDBG) funds.

All the documentation listed above must be uploaded into lowagrants.gov in the community’s Commercial Building Facades program application. The Council resolution and the target area map must be added to the “Required Uploads” page of the application. The Slum and Blight Summary questions are answered within the “Project Information” page of the application. The Slum and Blight Inventory is completed within the “Individual Building Detail” page of the application.

CITY RESOLUTION AND TARGET AREA MAP

Following the requirements of Iowa Code chapter 403, a resolution must find that:

- One or more slum, blighted or economic development areas exist in the municipality, AND
- The rehabilitation, conservation, redevelopment, development, or a combination thereof, of the area is necessary in the interest of the public health, safety, or welfare of the residents of the municipality.

Most communities that have applied for a CDBG Commercial Building Facades program award have adopted a slum and blight resolution specifically for the purposes of this application; therefore, the boundary of the blighted area in the resolution is also considered the “target area” for the project application. Proposed improvements to buildings funded through CDBG Commercial Building Facades can be anywhere within that target area, but not outside of it.

There are some instances where a previously designated slum and blight area is much larger than the area identified in a CDBG Commercial Building Facades application for improvements. In this circumstance, the application must clearly and visually delineate the project-specific target area that falls within the larger pre-existing city-designated area. Contact IEDA about any preexisting city-designated slum and blight area to verify it satisfies the CDBG requirements.

For the map itself, an assessor’s parcel map or aerial photo of a parcel map is recommended. Since the CDBG application also requires a map showing the buildings proposed for improvements, best practice would be to create one map that can satisfy both requirements. Such a map would ideally include the following elements:

- The boundaries of the target area clearly delineated.
- All buildings within the target area shaded to indicate their condition (for example: dark green for “excellent,” light green for “good,” yellow for “fair,” and red for “poor”).
- A way to indicate which buildings are being proposed for CDBG funding (for example: cross hatching or outlining in a specified color).
- Street names clearly visible on roads and building address numbers overlaid on all buildings in the target area.

DOCUMENTING EXISTING BLIGHT

The CDBG Commercial Building Facades program calls for documenting blight in two sections of the application in lowagrants.gov. The first is located in the “Project Information” tab, under the header “Slum & Blight Summary.” The second is comprised of everything in the “Individual Building Detail” tab. The Slum & Blight Summary section confirms that at least 25% of buildings throughout the target area are experiencing deterioration and provides contextual justification for the size and shape of the target area itself. The Individual Building Detail form provides further blight documentation on a per building basis – on a baseline level for every building in the target area, and with additional specificity on any building proposed for CDBG funding.

Slum & Blight Summary

In the Slum & Blight Summary section, in order to determine whether 25% of the buildings in the target area are experiencing deterioration and can thus be considered blighted, the applicant must assess the overall condition of each building. The conditions are based upon property ratings that classify buildings as either “excellent,” “good,” “fair,” or “poor.” Definitions of each of those classifications can be found on the pages below. Only buildings determined to be in “fair” or “poor” condition should be used in the target area calculation.

In addition to classifying each building and making a calculation of the percentage of the target area that is blighted, the Slum & Blight Summary provides an opportunity for the applicant to comment on other factors that are contributing to the Council resolution on slum and blight. Other conditions might include factors such as tenants relocating to a new mall or office space, lack of lighting or nighttime use of the area contributing to resident’s reluctance to patronize the businesses, deteriorated public infrastructure, unwillingness of landlords to correct code violations, etc.

Individual Building Detail

This form must be completed for all buildings in the target area, regardless of condition. The initial fields include information such as address, owner, business occupant name, year built, whether it is abandoned/vacant or occupied and what the uses are per floor, whether it is in a flood plain, whether it is being proposed for CDBG funding, and an overall description of the existing condition.

- Note that descriptions should capture the *current state of the building*, not just a need for a certain scope of work. For example, “needs tuck-pointing” is not a description of an existing condition.
- Examples of satisfactory descriptions would include, “crumbling brick, cracking stucco, wood rotted on window frames, cracks in windowsills, weathered and discolored awning, rusty sign,” etc.

A photo of the primary façade must also be uploaded. The descriptions and photos justify the reported percentage of blighted buildings in the target area overall, as calculated in the previous Slum and Blight Summary section. Therefore, the table in this form must have one line for each building in the target area, even if it is in good condition and/or will not be receiving CDBG funds. However, for buildings that are proposed for CDBG funding, more detail is also required.

For each building that would receive grant funds, the form requires an initial cost estimate, preliminary design, a letter from the owner indicating interest, a program certification form signed by the building owner, descriptions of existing conditions of the six major components of the façade ranked worst to best, and corresponding photos depicting the blight of those components.

- The six components are: storefront, doors/entry ways, upper story windows, porch/stairs/deck/ramp, foundation, and exterior wall surface.
- There is also a seventh component labeled “other” which can be used for unique building feature that does not fit well into the other categories or used for the roof if it is in poor condition and proposed for funding.
- When describing the condition of each component, refer to the pages below for sample language as well as phrases to avoid.

Photos of individual building components should be high resolution, up close, and show detail. Uploading a PDF that combines several labeled photos of a given component is encouraged. For example, if there are multiple areas of spalled brick or missing mortar, not only one wide-angle photo of the exterior wall but also several close-up photos of different areas would more accurately document the blight. Supplemental short video clips can also be uploaded to the “Other Attachments” section of the application if that is a better way to demonstrate a particular issue.

Whichever component is the most deteriorated should be ranked “1” to indicate the worst condition. The second worst should be ranked “2,” the third worst “3,” and so on down to the sixth and final component, or seventh if there is an extra “other” feature included. *There should be no ties and therefore no duplicate rank numbers.* If a building does not include a particular component (e.g., a single-story building would have no upper story windows), that component’s description should say “Not applicable: no upper story windows,” and the photo upload and rank fields should be left blank. In such cases, that building will have rankings 1-5 rather than the usual 1-6, for example.

Please note: buildings with visible sides (either corner buildings or those on an alleyway or even buildings taller than their neighbors such that the upper story sides are visible above the neighboring roofline) must incorporate

the current condition of the side facades into the overall blight documentation and prioritization ranking. This means that the ranking cannot solely take the front façade into account. It also means there should not be multiple distinct rankings (one for the front and one for the side(s), but rather that a particular component should be assessed on the building as a whole, on all visible sides together (rears excluded, unless they are proposed for funding). For example: if the upper story windows are in good condition in the front but are missing, broken, or boarded over on the side, the applicant cannot ignore the side and rank the upper story window component low blight based on the front façade alone.

When reviewing applications, IEDA staff will be looking for substantiated, well-documented blight and a proposed plan to address it. In light of this:

- Any building proposed for funding must a) reflect physical deterioration, b) meet the definition of “fair” or “poor” (see below), and c) must rank the individual components following the system described above.
- It is expected that components ranked worst will be fixed with CDBG funds. A minimum of 51% of blighted components in “fair” or “poor” condition must be addressed through the project.
- All blighted components are to be addressed before funds would be applied to other building improvements.
- Preliminary design renderings and individual building cost estimates should align with the blight ranking.

Applications that do not demonstrate blight and/or do not rank the deteriorated components accordingly will be eliminated from funding consideration.

DOCUMENTING EXISTING BLIGHT

The applicant must utilize the rating scale below for measuring physical conditions of each building in the slum/blight area and giving an overall building rating of “excellent,” “good,” “fair” or “poor.” For purposes of this program, surveys done by foot and in close proximity will be required in order to adequately assess the state of each building as well as the individual components on buildings proposed for funding. Although an architect is not required to conduct the assessments, it is recommended to involve one or to have one review the results of the assessment prior to drafting the preliminary designs. Applicants that do not involve or inform the architect run the risk of submitting an application with conflicting information which will render it less competitive overall.

The following criteria describe how to classify a building, or individual building component, as being in either “excellent,” “good,” “fair,” or “poor” condition. Example indicators included in the latter three classifications expand each definition and provide sample language to guide applicants in answering “description of existing condition” fields.

Finally, this document concludes with a list of bulleted phrases or scenarios that do *not* constitute blight and therefore should not be included in an application.

Definition of Excellent Condition

Buildings in excellent condition require little or no exterior work. Buildings that are in excellent condition may be of any age or style. They demonstrate consistent, planned maintenance and repair, components appear to be code-compliant and energy efficient.

Definition of Good Condition

Buildings in good condition have cosmetic deficiencies or other early signs of aging and wear.

Example indicators:

- Building components appear to meet code, but energy efficiency improvements such as storm doors and windows and caulking may be needed.
- Decorative features may need to be secured but items are in place.
- Materials do not need replacement but do need some minor maintenance and repair. For example, roofs may be of older composition but not yet deteriorated or leaking; siding may need spot painting or other “touch- up”; foundations and chimneys appear structurally sound but may show beginning signs of voids or loose mortar joints.

Definition of Fair Condition

Buildings in fair condition show clear signs of deterioration indicative of a property that has not been maintained for 5 to 10 years. A determination of fair for a building component means that the extent of defective conditions or deficiencies applies to at least 25% of the component.

Example indicators:

- Small wood and metal trim pieces of buildings may be lifting away from primary surfaces.
- At least 25% of roofing and related surfaces, including roofline, trim, flashing, and chimneys, may be brittle, curled, cracked, and missing, and are starting to deteriorate.
- At least 25% of doors and windows may be worn, loose, ill-fitting, drafty resulting in some moisture damage, and may have peeling paint or deteriorating vinyl or other surfaces.
- Exterior walls have at least 25% of surfaces with missing, broken or otherwise deteriorated siding, painted surfaces in progressed state of peeling, or brick surfaces needing repointing.
- At least 25% of porches, stairs, and decking show early signs of deterioration including worn, cracked, and warped components affecting components such as treads, balusters, rails, jousts, and support posts.
- Foundations have cracks and voids over at least 25% of surface area.
- Storefronts and signage are showing signs of deterioration over at least 25% of their surfaces. If the storefronts have coverings of sheet metal, asbestos, asphalt, or other materials from renovations of earlier decades, those coverings are starting to deteriorate and/or are starting to cause damage to the original storefront underneath.

Definition of Poor Condition

Buildings in poor condition appear to have not been maintained for at least 10 years. A determination of poor for a building component means that the extent of defective conditions or deficiencies applies to at least 50% of the component.

Example indicators:

- Exterior trim is missing altogether.
- One or more major building systems may be in danger of failure.
- The roof (e.g., roofline trim, flashing, chimneys) may be sagging with areas of extensive wear, exposed sheathing, and evidence of leaks over at least 50% of surfaces.
- At least 50% of doors and windows are rotted, broken, missing, and/or boarded up, with peeling paint or deteriorating vinyl or other surfaces.
- Exterior walls have at least 50% of surfaces with missing, broken, or otherwise deteriorated siding; painted surfaces rotted or in advanced state of peeling paint; or brick or other masonry surfaces needing repair or repointing.
- At least 50% of porches, stairs, and decking exhibit hazardous and unsafe conditions including sagging, rotted, and missing components, and separation from the main structure.
- Foundations are extensively cracked with missing stone or masonry over at least 50% of areas, indications of structural instability, and may require replacement and shoring up, including sill work.
- Storefronts and signage are extensively deteriorated over at least 50% of their surfaces (e.g., rusted or rotted framing, significant peeling paint, broken glass, damaged transoms or kick panels, etc.). If the storefronts have coverings of sheet metal, asbestos, asphalt, or other materials from renovations of earlier decades, those coverings are also at least 50% deteriorated and/or are causing significant damage to the original storefront underneath.

What are not blighted conditions: The following list of conditions or descriptive phrases will *not* be considered blight for the purposes of CDBG-CBF applications:

- Transitory conditions such as graffiti sprayed on walls or litter strewn about the area
- Vacant lots, undeveloped land, or inappropriate zoning
- Simply stating that a building component is “approaching/beyond its end of useful life” or “energy inefficient” without also describing specific damaged/deteriorated conditions
- Designs or color schemes that are outdated, outmoded, not historic, and/or ugly but are in good condition
- Components that are anticipated / future / “likely” to be blighted but as of yet are not deteriorating or documented
- Finally, the existence of a slipcover on a building will not in and of itself be considered blight *unless* the slipcover is itself damaged or is causing damage to the building

Applicants should refrain from adding these types of examples when describing existing building conditions or justification for proposed work. The inclusion of these conditions or phrases will result in a less competitive application.