

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE SIGNAGE GRANT PROGRAM

QUALIFICATIONS AND CONDITIONS SUMMARY

OVERVIEW

The Redevelopment Agency of the City of San Jose, through the Signage Grant Program, will provide financial grants for eligible commercial (including retail and offices) businesses to install new signage or upgrade existing signage in order to create a positive commercial environment in Downtown San Jose and the Redevelopment Project Areas. Grants may be used to pay for the cost of design, permitting, fabrication, and installation of the signage. These grants do not have to be repaid to the Agency, as long as certain conditions set forth below are met. Grants will be awarded based upon the eligibility requirements described below. Grants are a reimbursement to the sign contractors for the above referenced costs related to the sign, up to \$12,000.00.

The Agreement entered into between the Redevelopment Agency, property owner and tenant (“Agreement”), identifies the conditions and responsibilities for the parties. The following is a summary of the major conditions and responsibilities:

ELIGIBILITY

- Buildings must be located within a Redevelopment Project Area or within the Downtown Core area. The Downtown Core is defined as the area bounded by Julian Street to the north, Fourth Street on the east, Hwy 280 to the south, and Hwy 87 on the west. Buildings with existing multiple businesses are eligible for more than one grant.
- Application must be jointly signed by the owner(s) of a business (lessee(s)) of an eligible building and by the building (property) owner(s). Application must be signed by all legal property and business owners or a valid, legal power of attorney document must be submitted with the application, for either the property or business owner.
- There must be no active or pending Code Enforcement actions against the property.
- If either the applicant business owner or property owner has previously received business loans from the Redevelopment Agency, the payment of the loans must be up to date in order to be eligible for a Signage Grant.
- Applicant business owner must have an existing lease with a term of two or more years remaining on such lease. A copy of the lease must be submitted with the application. For purposes of the Signage Grant Program, options on leases do not count towards the two year term requirement unless business owner provides sufficient evidence that such option has been timely exercised by lessee prior to the date the application was submitted to the Agency.
- The Agreement must be signed by the property owner, the lessee and the Redevelopment Agency before an applicant is eligible to receive any grant funds. **Applicants will not be reimbursed for work completed before the Signage Grant Program contract is signed by the Redevelopment Agency.**

GRANTS

The maximum potential Signage Grant is TWELVE THOUSAND DOLLARS (\$12,000) per eligible commercial business. **Any expenditures which exceed grant amounts shall be the sole responsibility of the applicant(s) (“Grantee”).**

ELIGIBLE IMPROVEMENTS

- Types of improvements which are eligible for grant funds are:
- Signage for commercial business occupying tenant space, including design, fabrication, and installation.
- Exterior wall signs, awning signs, fin signs, mural style signs, window signs, marquee signs and monument signs
- Interior or exterior fixtures that illuminate the signage.
- All signage must comply with San Jose Municipal Code governing signs and must be properly permitted.

INELIGIBLE IMPROVEMENTS

Building improvements not related to signage, such as roofing, paving, and structural upgrade improvements, are not eligible for grants. Banners and temporary signs are not eligible improvements. Signage that does not comply with San Jose Municipal Code sign requirements or is not properly permitted is not eligible.

ELIGIBLE FEES

Actual costs associated with the signage design, fabrication, installation, and appropriate electrical, design, encroachment, and historic fees for Sign Permits from the Planning and Building and Public Works Departments and VTA permit are eligible expenditures.

PROGRAM REQUIREMENTS

- Applicants are to designate one person who will be the contact person for the sign project pursuant to the Agreement.
- As part of the application process, the business owner is required to meet with Redevelopment staff for an operations assessment of the business.
- If the building is under a Façade Improvement Grant (FIP) covenant for two or more years, the SGP covenants will run concurrent with the FIP covenants;
- If the building is under a FIP covenant with less than two years remaining, the SGP covenants will run beyond the FIP covenants' term for a full two-year term;

- If there are no FIP covenants in place at the time of the SGP execution, the SGP covenants will run the two-year term from the effective date of the SGP execution

The Agreement must be fully executed by the Agency before the new signage is installed. The Agency shall have no obligation to make any payments until all of the relevant conditions of the Agreement are satisfied

- In order to be eligible for the grant, the sign must be consistent with the City of San Jose *Downtown Design Guidelines*, *Downtown Historic Design Guidelines*, and *Commercial Design Guidelines*. Prior to obtaining permits and fabricating the sign, the final design must be approved by the Redevelopment Agency
- A Sign Permit for improvements on a building must be obtained from the City Planning Department after plans are completed and approved by the Redevelopment Agency. Applicants are solely responsible for obtaining and initially paying for such permits. Permits are an eligible expense under the Program. Any required building permits (electrical and structural) must also be obtained from the City. If the building is historic, the request is subject to an historic review by Planning and may require additional permits
- **All work must be conducted by contractors, approved by the Agency, and licensed by the State of California**
- Applicants are also responsible for obtaining bids, selecting a contractor, and executing agreements with contractors for the design and all other work associated with the installation of the signage. Such agreement must contain all the provisions set forth in Exhibit A (Sign Contract Requirements) and Exhibit B (Insurance Requirements) of the Agreement between applicants and the Agency. Applicants must provide Agency with executed agreement, between applicant and contractor, within thirty (30) days of the effective date of the agreement between applicants and Agency. Contractor change orders are not to be made without the approval of Redevelopment Agency staff
- Applicants are responsible for supervising and managing the design, fabrication and installation of the sign.
- Applicants cannot assign their rights or obligations of the Agreement with the Agency unless applicants have obtained prior written consent of Agency.
- **Contractors are required to pay prevailing wages pursuant to the requirements of the California Labor Code, Section 1771. Ensuring prevailing wages are paid is the responsibility of the grant applicant. If prevailing wages are not paid, then the sign is ineligible for the grant and applicants may be subject to penalties.**
- **Agency shall pay Contractor directly upon satisfaction of the conditions for Progress Payments and Final Payments as set forth in the Agreement.**
- Two Year Covenants of Property and Business Owner:
 - i. remove and keep all illegal signs off the Property;

- ii. maintain the Sign in good condition and repair, at Grantee business owner's sole cost and expense;
- iii. remove any graffiti from the Property within five (5) days after notice or knowledge of such graffiti;

-where business owner occupies space on ground floor, business and property owner maintain all landscaping and plantings adjacent to the Property frontage in good condition and upkeep, including timely removal and replacement of any and all dead plants, and dirt is kept confined to planter areas adjacent to Property frontage,

-where business owner occupies space above ground floor; business and property owner keep windows on floors Grantee business owner occupies clean and in good condition and repair.

- iv. in addition to securing any and all permits required by law, secure Agency's prior written approval for any exterior improvements or changes made to the Sign;

v. Grantee business owner must timely re-pay to Agency the amount of the grant provided for in this Agreement where the following situations occur within two years of the effective date of the agreement: (a) unauthorized substantial change to the sign. The term "substantial change" shall mean failure of Sign to conform to approved Sign plans; or (b) demolition of Sign. The term "demolition" shall mean removal of the Sign from original installation, or unauthorized substantial change to Sign; or damage to Sign left in disrepair following sixty (60) calendar days after the date of the notice of disrepair from Agency; or (c) Grantee business owner closes business to the public and does not maintain normal business hours (minimum of 8 hour day) for 60 calendar days or more from the date of closure; or (d) Grantee business owner defaults, breaks or terminates lease, or changes the name of the business such that the Sign, as approved, is no longer applicable for Grantee business owner or any future tenant of the space; or (e) installation of Sign does not commence within 240 calendar days of the effective date of the Agreement between Agency and Grantee. Grantee Owner may not assign its repayment obligations set forth in the Agreement.

The amount of repayment shall be pro-rated based on the two-year period and the length of time remaining between the date of the substantial change or demolition and the second anniversary of the Effective Date; and

- vi. maintain the Property in compliance with all applicable laws, including without limitation the laws of the City, and promptly, upon notification that the Property is not in compliance with all applicable laws, do all things necessary to bring the Property into and keep the Property in compliance with all applicable laws.

- Requirements are subject to change.

Once the project is complete, Redevelopment Agency staff will review the completed improvements, and the applicant will submit the certified payroll and a signed notice of completion to the Redevelopment Agency staff for their approval. The contractor will be required to sign the Lien Release (Exhibit B of contract). If the contractor and applicant have met all conditions and the project is successfully completed and acceptable, the applicant can submit eligible receipts and invoices to the Redevelopment Agency. Following review and approval of the expenses submitted, the Redevelopment Agency will pay the contractor a final payment, not to exceed the remaining balance of the contractor's estimate or the remaining balance of the sign grant amount, for the costs actually incurred by applicant in fabricating and installing the Sign.

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

SIGNAGE GRANT PROGRAM

A STEP-BY-STEP GUIDE FOR APPLICANTS

This outline will guide applicants in completing all of the steps necessary to receive a grant from the Redevelopment Agency for improvements under the Signage Grant Program.

1. Submit Application: Submit a fully signed and completed application (attached) to the Redevelopment Agency. Application must be signed by all of the legal property owners and lessee for which sign is sought and must designate a single contact person. Lessee's existing lease must be submitted with the application.
2. Business Operations Assessment: Meet with Redevelopment staff for business planning technical assistance and assessment.

Agency Determines Eligibility: The Redevelopment Agency will review the application for completion and also verify that the submitted lease will be in effect for the two year period following the effective date of the agreement between the Redevelopment Agency and the applicants.

The Redevelopment Agency will make a determination regarding eligibility and inform applicant of eligibility. An introductory meeting will be scheduled if the applicant is eligible.

3. Introductory Meeting/Sample Agreement: At the introductory meeting, the parameters of the Signage Grant Program will be discussed and a sample Signage Grant Program agreement will be available for review upon request.
4. Required Bid Proposals: Once the Sign Grant Program application has been approved, the applicant shall collect at least 2 separate bid proposals for the work associated with the sign. Such proposals must contain the following: (1) indicating that prevailing wage will be paid unless only one person will be performing all work; (2) estimate a completion date for the sign project; and (3) contain a design concept with measurements. Such proposals must be submitted to Agency for review and comment. Any such comments must be incorporated into the final proposal.
5. Applicants' contract with sign contractor: Applicant must sign a contract with sign contractor, approved by Agency, and give copies to Agency project manager. Such contract must meet the requirements set forth in Exhibit A of the applicant's Agreement with Agency. Contractor must secure insurance as specified in Exhibit B of the Agreement between applicants and Agency.
6. Sign Design Approval: The proposed signage design must be approved by the Redevelopment Agency's Architectural Division and must be consistent with the

Downtown Design Guidelines, Downtown Historic Design Guidelines, and Commercial Design Guidelines. Any design comments must be incorporated into the final sign design. The final design must be approved by the Redevelopment Agency staff prior to permitting.

Design Meeting: Applicants must meet with Agency Project Manager and architect to review the proposed design.

7. Agreement between applicants and Redevelopment Agency: Applicants must sign Agreement with Redevelopment Agency (“Agency Agreement”).

The Agreement is not effective until all parties have signed the Agreement. The Agency shall have no obligation to make any payments until all of the relevant conditions of the Agreement are satisfied.

8. Permits: The applicant must obtain all required permits for the signage from the City of San Jose. If the building is historic, requires encroachment permit or VTA permit, the applicant is required to apply for additional permits. Costs to obtain such permits are the applicant’s responsibility. However, applicant may submit a request to be reimbursed for the payment of such permits, in an amount not to exceed the grant amount, with proof of payment.
9. Notice to Proceed: Before any installation can begin, the Agency must issue a Notice to Proceed to contractor.
10. Deadline to start installation: The applicant has two hundred forty (240) days from the date the Signage Grant Agreement is fully executed to commence installation of the signage. If the applicant has not commenced the installation within two hundred forty (240) days, the Redevelopment Agency shall terminate the contract, and any funds that have already been paid to the contractor must be, within ten days of notice from the Agency, returned to the Redevelopment Agency.
11. Notice of Completion: Once sign installation is complete, the applicants must sign Notice of Completion and submit to Agency.
12. Lien Release: Before final payment is made by Redevelopment Agency, a Lien Release (attached as Exhibit C to Agency Agreement), completed and signed by contractor, must be submitted to Agency.
13. All of the above requirements are subject to change.
14. The terms and conditions of the Agency Agreement are outlined in the Qualifications and Conditions Summary.



Redevelopment Agency
Downtown Division

Signage Grant Program Application

Thank you for your interest in applying to the Signage Grant Program application. Please list all legal owners, attach a copy of your lease agreement, and sign and date the application.

Property/ Business Name: _____

Address: _____

Primary Contact Person: _____

Business Information

BUSINESS:	
Name:	Best time to contact:
Mailing Address:	
e-mail:	
Phone:	Fax:
	Cell:
List additional business owners:	

Property Owner Information

PROPERTY ADDRESS:	
Name:	Best time to contact:
Mailing Address:	
e-mail:	
Phone:	Fax:
	Cell:
List additional property owners:	

DESCRIBE PROPOSED SIGNAGE: (Add an additional page if needed)

We certify that we are the property/business owners of record and that there are no current or pending code enforcement actions pending against this property.

We have attached a copy of the architectural drawings of the existing building façade (if available).

We have read and understand the attached Qualifications and Conditions Summary and Step-by-Step Guide and accept these conditions and qualifications. The Redevelopment Agency shall have no obligations with respect to this application until both parties sign a contract.

We certify that we are eligible and will abide by such conditions set forth in this application and all reasonable conditions which may be issued by the San Jose Redevelopment Agency during the implementation of this project.

Property Owner(s) Signature(s):

_____ Date: _____

_____ Date: _____

_____ Date: _____

Business Owner(s) Signature(s)

_____ Date: _____

_____ Date: _____

_____ Date: _____

This form should be returned to the San Jose Redevelopment Agency Attn: Signage Grant Program, 200 W. E. Santa Clara Street, San Jose, CA 95113; by Fax: (408) 292-6755.

To be completed by Staff

Date received:	Lease attached:
Historic designation:	Sign Design Attached
Eligible:	If not eligible reasons: