

**CITY OF KODIAK
RESOLUTION NUMBER 2024-02**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK
AUTHORIZING PAYMENT FOR THE STOREFRONT IMPROVEMENT PROGRAM
FROM THE DOWNTOWN REVITALIZATION PROJECT NO. 4039**

WHEREAS, the City Council has a Memorandum of Agreement (MOA) No. 258922 with the Kodiak Economic Development Corporation (KEDC); and

WHEREAS, the City Council received a presentation and request from KEDC on the Storefront Improvement Program at their work session on October 10, 2023, and voiced a consensus to support; and

WHEREAS, the KEDC in partnership with the Kodiak Area Native Association (KANA) and the City of Kodiak, is offering a Storefront Improvement Program (SIP) to revitalize Downtown Kodiak; and

WHEREAS, the Storefront Improvement Program is outlined in the MOA to increase long-term economic resilience and viability in the Kodiak region; and

WHEREAS, the purpose of the Storefront Improvement Program is a partnership with local business owners and lessees to share the cost of improving the exterior businesses; and

WHEREAS, the City of Kodiak acknowledges and supports the work of local businesses to revitalize downtown Kodiak; and

WHEREAS, the funding source for the Storefront Improvement Program will be from the Downtown Revitalization Fund Project No. 4039; and

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Kodiak, Alaska, hereby authorizes payment of a total amount of \$15,000 to the Storefront Improvement Program:

Section 1. Downtown Revitalization Fund Project No. 4039 Contributions. Program awards will be disbursed to the Kodiak Economic Development Corporation to administer the Storefront Improvement Program in accordance with the 2023 Storefront Improvement Program Guidelines.

Section 2. Reporting Requirements. All recipients shall comply with KEDC's Storefront Improvement Program Guidelines. Recipients that fail to comply with reporting requirements may be ineligible for future store improvement funding.



CITY OF KODIAK

A handwritten signature in black ink, appearing to read "Pat Moran", is written above a horizontal line.

MAYOR

ATTEST:

A handwritten signature in blue ink, appearing to read "Michelle Shirovoff-Tolson", is written above a horizontal line.

CITY CLERK

Adopted: January 11, 2024



**KODIAK
ECONOMIC
DEVELOPMENT
CORPORATION**

in partnership with



KODIAK AREA NATIVE ASSOCIATION



2023

STOREFRONT IMPROVEMENT PROGRAM

Kodiak Economic Development Corporation (KEDC), in partnership with Kodiak Area Native Association (KANA) and the City of Kodiak, is offering the Storefront Improvement Program (SIP) to revitalize Kodiak's Downtown core area by stimulating new private investment in Kodiak's economy.

Prepared By :

KEDC

Project Name :

Storefront Improvement Program (SIP)

PURPOSE

Kodiak Economic Development Corporation (KEDC), in partnership with Kodiak Area Native Association (KANA) and the City of Kodiak, is offering the Storefront Improvement Program (SIP) to revitalize Kodiak's Downtown core area by stimulating new private investment in Kodiak's economy. By partnering with local business owners and lessees to share the cost of improving the exterior of businesses, this program's objectives are to boost traffic, and improve the overall look and vitality of Kodiak's Downtown area.

The program goals are to:

1. Promote revitalization of our "downtown area" to attract both visitors and residents;
2. Encourage new development and increase foot traffic in our Downtown;
3. Ensure a healthy economy by supporting diverse local businesses;
4. Improve storefront exteriors to create a more welcoming, customer-friendly appearance in the Downtown core area adjacent to St. Paul Harbor.

GENERAL INFORMATION

The SIP is a discretionary reimbursement grant, which can be used for exterior improvements to businesses in the Kodiak Downtown area, as shown in map on page 8. The amount available to each business is \$7500 in matching funds for eligible applicants. Grant funds will be paid upon completion of the pre-approved project. Grant funds will not be disbursed for any work completed before a Commitment Letter is provided and signed. Grant applications are reviewed once a year, and KEDC anticipates funding two to three projects per year. Applicants interested in participating in the program are encouraged to contact the SIP program administrator as soon as possible to begin the process, or to seek more information.

ELIGIBILITY

Eligible work: Rehabilitation of building façades that are visible to the street, including the following elements: storefronts; signs and graphics; exterior lighting; canopies and awnings; painting and masonry work; permanent landscaping; and accessibility improvements. The emphasis of the grant program is to encourage the transformation of building facades through improvements to one or more of the elements listed above. ***Greater weight is awarded to projects that incorporate multiple elements.*** The grant program is not intended to provide financial assistance for routine upkeep and maintenance (e.g., painting) or to satisfy required updates (e.g., franchise requirements to change paint scheme, signage, etc.). Applications are competitive and the highest ranking proposals will be funded first.

Ineligible work: Funds may not be used for improvements that are not permanent or mounted to the building, sidewalk (unless improvement to sidewalk improves accessibility), or parking lot. In addition, the following items are ineligible for funding: regular maintenance and upkeep; roofs; structural foundations; security systems; interior window coverings; personal property and equipment; sidewalks and paving (unless removing paving to install permanent landscaping). In addition, funds may not be used for structures which are non-conforming to current ordinances (for example: a sign which exceeds the allowable height or area), unless the funds are used to bring the structure into conformance.

Eligible participants include property owners and business lessees (with written authorization of the property owner), located in the Commercial or Limited Commercial zoning districts within the Downtown area shown on map. Please refer to map page 8 or contact the SIP program administrator to determine if your property is eligible.

Ineligible participants: - Properties primarily in residential use (ex. apartments or condominiums); - Structures not facing or visible from the right-of-way; - Government offices and agencies (non-governmental tenants are eligible); - New construction, less than 5 years old.

APPLICATION & SELECTION

The first step is to submit an application form to the KEDC SIP program administrator. The form requires a short project description and rough cost estimate of the work you plan to do. KEDC will select projects that will provide the greatest public benefit to the community, as determined by a selection committee. KEDC reserves the right to prioritize projects and reject applications.

The deadline for all applications to be submitted and eligible for review is December 8th, 2023, by end of business.

To select and prioritize projects, the selection committee will consider the following factors:

1. Creative value of the project;
2. Current condition of the building/façade;
3. Feasibility of implementing applicant's goals within the specified budget and timeframe;
4. Visibility of the proposed improvements; and
5. The transformative effect and number and type of specific improvements that are proposed

The program administrator will notify you whether your project was selected for funding. If selected, you will solicit contractor bids, and sign a 'Letter of Commitment,' as noted below.

BIDDING

KEDC requires that you obtain one bid for each type of work you are doing. KEDC encourages the use of licensed professional contractors as defined and regulated by the State of Alaska Department of Labor, however this is not a requirement of the program. All construction contracts will be between the applicant and contractor, and it is the owner's responsibility to ensure all work is performed according to state and local regulations. Owner labor will not be reimbursed under the program. This includes the owners of the business, building and land if different.

LETTER OF COMMITMENT

The next step is to submit all contractor bids to KEDC for final review. The contractor bids will be considered by KEDC in determining the final funding amount for the project. KEDC will then draft up a 'Commitment Letter,' which will outline additional terms and conditions of the matching grant, and will serve as the legal commitment of both parties as to the scope and quality of work, and the amount of funds committed. The Commitment letter will also set a deadline for the project to be completed by, as agreed to by the applicant and KEDC.

BUILD IT

After the Commitment Letter is signed by KEDC and applicant, proceed with construction of your project. Please retain all invoices and material receipts during the project, as you will need these later when you request reimbursement. Please also remember that only those improvements outlined in the Commitment Letter are eligible for reimbursement, so it will be your responsibility to keep sufficient records, if needed, to separate out work which you may have completed at the same time, but which was not connected to the grant.

REIMBURSEMENT OF FUNDS

Prior to reimbursement of funds, KEDC staff will review all completed work for compliance with the Commitment Letter. KEDC will verify receipts and invoices and will issue a reimbursement check to the owner for the amount indicated in the agreement, or 50% of the actual project cost (if less than the amount indicated in the agreement).

KEDC has the authority to determine eligibility of proposed work and confirmation of completed work. Certain work may be required or precluded as a condition of funding. Participants will be responsible for obtaining necessary regulatory approvals, including those of the Kodiak Island Borough Community Development Department and the City of Kodiak Building Department where applicable. All work must comply with city, state, and federal regulations.

GENERAL CONDITIONS

The following general conditions apply to all projects:

1. Improvements funded by the grant shall be maintained in good order for a period of at least five (5) years; graffiti and vandalism will be dutifully repaired by the applicant during this time period.
2. Borough property and sales tax must be current, and participants shall have no debts in arrears to the City when the Commitment Letter is issued.
3. Eligible properties qualify for a maximum of \$7,500. Businesses may apply for a second grant during the next funding cycle
4. Projects must be completed prior to applying for another grant or no later than 31 December, 2024
5. The applicant must complete, sign and submit a W-9 in order for disbursement of funds.

TAX INFORMATION

You are urged to consult your tax advisor concerning the taxability of grants. KEDC is not responsible for any taxes that may be imposed as a result of your receipt of this grant payment (directly or indirectly). Grants may be reported on IRS Form 1099. KEDC requires that you complete and return a Form W-9 (Request for Taxpayer ID Number and Certification) prior to being reimbursed.

FOR MORE INFORMATION

For more information, please contact program administrator:

Melissa Schoenwether, Associate Director for Kodiak Economic Development Corporation: phone: 907.942.6605 email: melissa@kodiakedc.com

KEDC reserves the right to make minor exceptions to the program guidelines. Application forms are available at KodiakEDC.com/SIP

LAUNCH

On behalf of KANA and the City of Kodiak, KEDC will announce this project beginning 1 October, 2023, and invite the businesses included in the eligible area to apply. KEDC will ensure a variety of forums are used to communicate this opportunity to the public, including, but not limited to: newspaper, radio, website, email, social media, as well as in person engagement.

REVIEW & AWARD

The applications will be reviewed and awardees determined and notified mid-December. KEDC will ensure KANA and the City of Kodiak, as well as various media outlets, are contacted with press release regarding the recipients of the SIP grants.

*This Storefront Improvement Program
is made possible through the partnership of :*



KODIAK AREA NATIVE ASSOCIATION

