

COMMERCIAL RETENTION & REDEVELOPMENT PROGRAM 2018-19

Forgivable Commercial Loan Project for Interior/Exterior Renovations

Step-by-Step Guidelines: CRR Harden St. & Gervais St. & N. Millwood/Millwood & Taylor St.

All renovation projects require a minimum of 3 (three) bids from [licensed commercial contractors](#).

Project Site Boundary: Program project site based upon individual Richland County tax map parcel boundary. The address of a building is searched and matched to the corresponding tax map parcel. If a building and its property expand over multiple contiguous parcels (side-by-side), owned by the same individual, the applicant is eligible for only one award. If an applicant owns more than one contiguous parcel (side-by-side) and each parcel has a structure and designated address, the CRR Review Committee may consider, on a case-by-case basis, the possibility of multiple awards – one award for each parcel/address. Budget limitations of the program are a factor when making decision to ensure project funding is fairly distributed among all applicants.

INELIGIBLE Businesses: Residential Use Buildings; Government and/or Sub-component agencies, to include Public Educational Facilities; Franchises; Hotels; Motels; Liquor Stores; Convenience Stores/Gas Stations; Financial/Lending Institutions; National/Regional Chain Stores; Private Education Facilities; Private Membership and/or Fraternal Organizations; Businesses with 51% or more, of revenue from alcohol sales (*to prove sales revenue source other than alcohol, business must provide prior 2 years Certified CPA Tax Returns*); and Adult oriented businesses.

1 Get Your Application Package and Program Information

- A. Available online at: www.columbiasc.net/obo/commercial-loans-grants, or contact at 803.545-3259, bret.whiting@columbiasc.gov, 1225 Lady Street, 1st FL, Columbia, SC 29201.

2 Determine Improvements

- A. Candidates will submit Application of Interest, which includes list of improvements desired for building. Determine colors, sizes, type of materials, etc.

3 **Mandatory** Pre-Renovation Meeting with PC & Planning Staff

- A. When Candidate's Application of Interest has been submitted and reviewed by OBO Staff, the Candidate will be contacted to schedule a MANDATORY Pre-Renovation Meeting. During the Pre-Renovation Meeting, the Candidate's improvement plan will be openly discussed with OBO Staff and City Planning Staff, to ensure materials and design(s) of your project meet standard City Code.

NOTE: *Applicants are not eligible to submit an FINAL PROJECT application without attending this mandatory meeting.*

4 RENOVATIONS: Prepare & Send Your Invitation to Bid (Minimum of 3 bids is required. Only licensed contractors may bid.)

- A. If needed, OBO Staff will assist the candidate in preparing their Scope-of-Work (SOW).
- B. The Candidate will prepare an Invitation to Bid, which includes the SOW for project and deadline for bids to be submitted, usually 2 weeks from date of invite. (OBO Staff is available to assist if needed)

NOTE: *In order to receive at least three (3) bids, you may have to invite 5-6 contractors to bid.*

5 Receiving Your Bids from Contractors

- A. **A minimum of three (3) bids must be submitted with your application.** Of the 3 bids submitted, the Applicant will clearly mark the contractor's bid they are selecting to perform the work.
- B. The City encourages applicants to extend opportunities to bid to minority, women and/or veteran-owned businesses. (A reference list of these business types is available upon request.)

6 Other Required Application Document (See Application Checklist)

- A. Provide Proof of Good Standing for the following:
 - Property Taxes:** Copy of most recent PAID Tax Receipt showing "zero" (\$0.00) Past Due
 - Sewer & Water Fees:** Copy of most recent bill showing "zero" (\$0.00) Past Due

Mortgage or Lease: If paying mortgage or lease, provide copy of most recent statement showing "zero" (\$0.00) Past Due (may also be in the form of a letter from landlord indicating tenant is not PAST DUE)

Copy of existing Property and Liability Insurance (must show property address – Declaration Statement – must list City of Columbia, 1737 Main St., Columbia, SC 29201 as an additional Certificate Holder)

Copy of Valid Driver's License

Copy of Business License, when applicable

Job Retention/Creation Worksheet: *Submit with Annual Proof of Good Standing, June 1, until maturity*

7 Assemble Application Package & Deliver (use the Checklist included in your Application package)

- A. Submit FULLY COMPLETED Application Package to OBO Staff by mail or hand-deliver to 1225 Lady Street, Columbia, SC 29201. Your Application Package will be Time/Date Stamped to record receiving. Applications can also be submitted online; **however, an original, hard copy must still be submitted by stated deadline.**

8 Application Package Review and Approval/Denial Process

- A. Application Packages will be processed according to Time/Date Stamp. (*Scoring criteria available by request.*)
B. Applicants will be notified receiving an Official Notification Email.

9 RENOVATIONS: Obtain Proper Building Permits (usually done by the Contractor)

- A. Upon receiving the Official Commercial Loan Project Award Notification, **the Applicant is responsible for notifying and ensuring that the Contractor obtains required permits**, temporary encroachments, to include submitting any drawings, etc., this is standard for all construction projects within city limits. (*Contractor will use Official Notification as contract to obtain Permit(s)*)
B. Permits will be obtained by Contractor immediately, within 5 days of the Applicant receiving Official Notification of Award.
C. The Applicant is responsible for providing Permit confirmation by contacting OBO Staff when this step is complete. At that time, OBO Staff will set date for Closing.
D. When applicable, the City's Planning Division will issue the Certificate of Design Approval (CDA) upon approval of the CRR Project application. (*CDA is required for any property in a special zoning district – historic, design overlay, etc.*)
NOTE: Only when all required permits and plans approval are completed, will the Closing be held.

10 Loan Closing

- A. The Forgivable Commercial Loan Project Closing will be held **within 5 days of Contractor Permitting, when applicable** and at the convenience of the Applicant and selected Contractor(s).
B. At the conclusion of the Closing, the "Notice to Proceed" will be issued.
C. **No project purchases/renovations shall begin without issuing the Notice to Proceed.**
D. It shall be the responsibility of the Applicant to pay for any work/purchases, which are started/completed prior to receiving a 'Notice to Proceed'.
E. Applicant is required to Deposit City Check and issue full payment to Contractor within 3 business days of closing.

Closing Documents include, but not limited to: Commitment Letter, Note, Loan Agreement, Personal or Corporate Guaranty of Note (if Corporate, a Corporate Resolution is required that indicates Applicant is authorized to sign legal documents on the company's behalf.), Contractors Notice of Non-Debarment, Conditions of Federal Funding (when applicable), Applicant-Contractor Agreement, and Notice to Proceed.

11 Renovations/Construction

- A. **The Applicant is responsible for contacting OBO Staff to advise the first day work begins onsite.**
B. **The Applicant serves as the Project Manager and is responsible for seeing that contractors start and complete their work as agreed.**
C. Without prior written approval, failure to complete a project by the Completion Date may result in loss of funding. **For this target area, all purchases/renovations must be completed in 60 days, or LESS.**
D. The City must periodically conduct interviews with the construction workers on the job site. The purpose of the interviews is to capture observations of the work being performed, get the workers' views on the hours they work, type work they perform, and the wages they receive.
E. The City reserves the right to inspect your project at any time.

12 Payment Process for Renovations

NOTE: When applicable, the Contractor is required to complete the US Department of Labor Payroll Worksheet and Statement of Compliance (Provided to Contractor in their Closing documents.)

- **Should any installation fail official inspection, the CRR Program will yield to the appropriate City Department, or agency of jurisdiction, and its procedures for addressing a failed inspection.**
- **The CRR Program does not pay to bring failed work into code compliance. It is the sole financial responsibility of the Applicant, and their selected contractor, to pay all fees for professional drawings, materials, labor, and etc., associated with bringing the failed installation work into code compliance.**

- *The Applicant, and their selected contractor, are responsible for performing at a pace to meet any timeline outlined by the governing department/agency, or become subject to that agency’s penalty process.*
- *The Applicant, and their selected contractor, are solely responsible for providing the final “SATISFACTORY”, “PASSED”, or similar form of official approval, from the agency of jurisdiction.*

Failure to obtain Satisfactory Inspection may result in DEFAULT and repayment by the Applicant, of all funds paid by the City for project work, on the Applicant’s behalf.

13 Documents & Record Retention

- Documentation may include, but is not limited to: Application package, Forgivable Loan Closing documents, Annual Good Standing documentation to include Job Retention/Creation data, and other correspondence/documents that may be exchanged during the lifetime of the loan.
- Applicant must retain all forgivable loan documentation for a period of three (3) years BEYOND the MATURITY DATE.
- OBO must retain all forgivable loan documentation for a period of no less than five (5) years from the completion date of the project.

14 Conditions of Default

- Failure to provide Annual Good Standing documentation, by June 30, as agreed in the Closing documents.
- Failure to complete the renovations within the specified time limit.
- If the Applicant **closes, sells, or has a significant change in ownership (no longer majority owner) for any reason**, to include foreclosure and/or any other legal action, prior to the established Maturity Date of the forgivable loan, or if the improvements are not **properly maintained** for a period of two (2) years, the forgivable loan will be considered in default.
- Failure to contact appropriate official to conduct required inspection(s) and/or failure to provide “SATISFIED” Inspection Card.
- Upon Default, the City of Columbia has the right to request immediate repayment of the pro-rated, forgivable loan balance.
(**Properly Maintained** – receives no Code Violation(s), or any damage is repaired within 30 days)

Special Notes:

- ❖ When applicable, this program may be federally funded; therefore, all projects must comply with applicable Federal Laws.