

City of Rocky Mount Administrative Policy

Policy: Downtown Residential Production Grant

Section:	Administrative	Policy No. II.44
Prepared By:	Kevin Harris Downtown Development Manager	
Approved By:	City Council	
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SECTION 1. Purpose

In 1980, over 200 of the commercial buildings in central city area of the City of Rocky Mount were placed on the National Register of Historic Places. This was done in recognition of the unique character of the downtown area where most of the buildings were constructed in the early 1900's.

Yet, during the 1980's, the downtown area changed when the three major retail stores (Belk-Tyler, J.C. Penney, and Sears) relocated to Wesleyan Boulevard. This resulted in reduced shopping traffic, increasing vacancies, reduced tax valuation for downtown, and a growing perception of a deteriorating downtown.

The City Council established the Central City Revitalization Panel (CCRP) in 200 for the purpose of initiating plans and programs that would encourage business development downtown and preserve the buildings in the downtown area. Upon the recommendation of the CCRP, the City Council adopted the subject policy, and others, as community development programs of assistance and financing intended to create an incentive for owners to invest in and preserve and restore the existing buildings downtown in order to maintain the unique historic character of the central city and create a vibrant and economically sustainable downtown Rocky Mount.

SECTION 2. Roles and Responsibilities

- 2.1 The program will be administered by the following City staff members:
- a. The Downtown Development Manager will serve as primary contact for questions, concerns, application intake and program promotion.
 - b. The Downtown Development Manager will review and prepare recommendations for award of assistance grants for approval by the City Manager or his or her designee.
 - c. The Downtown Development Manager will facilitate grant compliance with award recipients, including review of documentation for projects completed and processing of award payments.
 - d. The Department of Development Services will ensure compliance with Building Code requirements and Historic Preservation guidelines.

SECTION 3. Downtown Residential Production Grant Guidelines

- 3.1 The commercial property must be located within the connected boundaries of Franklin St., Goldleaf St., Atlantic Ave. and Raleigh Blvd. In addition to properties located within the boundaries, properties abutting either side of a boundary street are also eligible to participate in the RPG Program. This policy confirms the longstanding interpretation of City Staff. (see attached map)
- 3.1.1 Properties located within the Downtown Transitional (see attached map) will be considered if they include a minimum of six residential units.
- 3.2 Types of projects which may be funded include, but are not limited to, the following:
- a. Eligible projects may include new construction, building rehabilitation or adaptive reuse.
 - b. Project must result in the creation of residential units not previously available for occupancy.

- c. Renovations must be substantial to the extent that the completed units are of a finished quality and ready for occupancy.
 - d. All new or renovated units must be consistent with the overall quality standards.
 - e. Eligible projects will include residential as part of mixed-use development or commercial property converted for residential as single use.
- 3.3 Plans for improvements must conform to existing building and landscape regulations of the City of Rocky Mount. Where applicable, projects must receive a Certificate of Appropriateness or approval from the Historic Planner prior to the funding approval.
- 3.4 To be eligible for funding from the grant, the building must qualify for a Certificate of Occupancy at time of application or at the completion of the project. (In other words, the grant may not be used for improvements to a building which may not be occupied due to code violations or other issues.)
- 3.5 Every assisted dwelling unit must be free from any Demolition by Neglect violations and conform to the City of Rocky Mount building code standards for the intended use, if known at the time of application.
- 3.6 In order to receive funding, the application must show that upon completion of scheduled improvements, the property, at a minimum, will receive a certificate of compliance per the North Carolina Administrative Code GS160A-423 and the following:
 - a. Must have usable electrical service per National Electrical Code (NEC) standards
 - b. Working HVAC
 - c. Roof free of leaks

- d. Floors and stairs free of hazards and meeting safety requirements (no holes and railing as required)
- e. Air-tight windows

When inspecting each unit, the City's Building Code Inspector will employ these standards and, if necessary, prepare a list of repairs that must be performed to fulfill this requirement.

- 3.7 Subject to the availability of funding, grants shall reimburse the applicant up to \$7,500 per residential unit created or substantially upgraded, with a maximum grant of \$150,000. The maximum grant will not exceed 20% of overall development cost for residential space.
- 3.8 Total of all downtown incentive grants provided for the project cannot exceed 35% of overall development costs. (Not including the Development Incentive Grant)
- 3.9 Funding Eligibility Exclusions
 - a. Religious organizations for sectarian purposes
 - b. Individual K-12 schools (public or private)
 - c. Organizations that discriminate on the basis of race, culture, gender, sexual orientation, age or religion
 - d. Political activities
 - e. Non-conforming uses
- 3.7. In order to be eligible for reimbursement, the recipient must acquire all permits necessary and applicable for the work proposed in their application.
- 3.8. Reimbursement or payment will only be made for labor not performed by the owner unless owner is the project licensed general contractor or certified contractor to perform work to be reimbursed. Labor performed by the owner may be credited as match for the grant provided that the labor can be verified, the

labor is applicable to the project approved for funding and the labor rate is reasonably in-line with market rates.

- 3.9. No property shall be eligible for more than one (1) Residential Production Grant award.
- 3.10. Upon award, the recipient must acknowledge that any and all improvements funded in part with grant award funds must remain with the property, including upon conveyance to another owner if the property is sold.

SECTION 4. Application Process for Financial Incentives

4.1 All applicants must:

- a. Be the legal owner of the property or have the permission of the legal owner (notarized statement from the owner).
- b. Furnish a current list of owners/partners and staff (or in the case of a non-profit entity, the board of directors)
- c. Be financially stable
- d. Be current with city and county property taxes and/or utilities
- e. Provide and maintain current property insurance to cover the value of the structure and all improvements
- f. Provide renderings and/or plans of the entire project meeting requirements of Development Services
- g. Provide all required documentation as per application, and any additional information necessary for project evaluation

4.2 The application and supporting material will be collected and reviewed by the Downtown Manager and then forwarded to the Department of Development Services for review.

4.3 The Development Services Director will review the application and prepare a recommendation on its approval or disapproval, along with any supportive

documentation, to the Downtown Development Manager, who will issue a recommendation for approval or disapproval to the City Manager.

4.4 The City Manager will review the report and Downtown Development Manager recommendation and provide formal approval or disapproval of the application.

4.5 Two funding options are available:

- a. Reimbursement upon completion and approval of the renovations. Paid receipts, canceled checks, paid invoices, or other proof of expenditures must be submitted at completion of the project; or
- b. Direct payment to contractor upon completion and approval of the work by the City. Contractor must possess current business and professional licenses.

All work must be completed within twelve months of the award of the grant.

4.6 Upon satisfactory completion of all work required, the Downtown Development Manager and Inspection Services staff inspects work. If the site inspection is not satisfactory, the applicant will be notified and allowed up to thirty working days for correction of unsatisfactory items.

4.7 Residential Production Grant program incentives exceeding \$80,000 will require Council approval.

SECTION 5. Appeal Process

5.1 Persons applying for the Downtown Residential Production Grant will have ten (10) business days to request a reconsideration of a denial decision made by the City Manager or his or her designee. Notice of the request must be submitted in writing to the Downtown Development Manager with specific reasons as to why the grant should be approved. Upon review the City Manager shall render a final decision within ten (10) business days.

The City of Rocky Mount Downtown and Business Development Departments in conjunction with any other City Department reserves the right to reject any incomplete or unclear application. All projects receiving all or partial funding may be made public. The CRM does not discriminate on the basis of race, color, sex, religion, marital status, disability, age, sexual orientation, or national origin. For additional information regarding requirements or eligibility call 252-972-1101.

