

CITY OF CARSON

FAÇADE IMPROVEMENT PROGRAM

June 21, 2022

Section 1.

Background and Legal Guidelines

Background

The City of Carson Charter, Section 206, authorizes a comprehensive set of economic development incentives and programs to promote development given the unique environmental constraints in the City of Carson, to create jobs and to preserve the sound fiscal basis of the City. The City's Charter powers include the authority to enter into agreements, and to loan, grant, fund, or finance projects which will provide public benefit and protect the public health, safety and welfare of the community, which programs may be carried out singly or in combination in a manner to promote the economic development objectives set forth in Section 206 of the Charter. Government Code Section 53803 authorizes the City to provide financial incentives to businesses to promote economic activity, including the assistance with commercial revitalization.

This Citywide Façade Improvement Program ("Program") establishes a variety of specific goals for commercial development of the City of Carson as part of a citywide economic development strategy. These goals frame the near term economic development objectives for the city during a period of tremendous transformation.

Entry corridors in Carson have historically lagged the progress recently made in the city's core. Over the past 30 years, the City and former Redevelopment Agency have tried to incentivize development in the city through the creation of redevelopment project areas, with some success, but the overall vitality of the community was at a level that these were likely to see significant development activity only after the core "filled up" and other major projects were completed, such as the Former Cal Compact Landfill.

The focus of this program are commercial buildings and centers in the following areas: Avalon Boulevard, Main Street, Sepulveda Boulevard, and Figueroa Street. Commercial properties on east-west streets will be considered if they are near the intersections of the major streets.

Many of these areas were in former Project Areas of the former Redevelopment Agency, and under Redevelopment Law the Agency (or "RDA") would have been able to undertake a number of the projects and programs described herein. However, all redevelopment agencies in California were dissolved under State Law in the 2011-2012 year. On June 27, 2011, the State of California passed AB 1X 26, which dissolves all of the redevelopment agencies in the State of California and became effective October 1, 2011. As part of the law, the Agency was prohibited from entering new contracts after June 27, 2011.

The lesser economic vitality of the City's commercial corridors, particularly in light of the ongoing and continuing COVID-19 pandemic and its impact on businesses, has prompted the City to look at developing mechanisms to spur development in these key commercial areas.

On the north end, the lack of population density has made traditional retailing along Avalon Boulevard difficult. There is little non-restaurant "retail" in the stretch from the northern corporate limits to Del Amo Boulevard, with the exception of two "dollar" stores, a convenience store, a drug store, a liquor store, and a small handful of other shops. The growth in the area has been

in housing, particularly in the two communities developed along Victoria, but the speed and lack of pedestrian amenities along Avalon have made even restaurant businesses struggle.


The south end of Avalon also faces issues, especially with vacant and blighted properties near the Sepulveda intersection. Main Street has some commercial centers but most of the commercial activity is at the major intersections of Lomita, Sepulveda, 223rd, and Carson Street. Likewise, Figueroa has a small amount of commercial frontage with most of its activity at Sepulveda (Target), the Carson Street intersection and the shopping Center at Torrance Boulevard.


Finally, Carson Street remains the other signature commercial street in the city but is generally characterized by individual buildings or smaller shopping centers with the exception of grocery-anchored centers at Main Street and Avalon Boulevard. It also extends the full width of the city, from the 110 Freeway to Santa Fe Street.


The unique combination of general local economic health but particular location-driven challenges along each of these corridors suggests the creation of a multi-year incentive program.


Project Area Goals


For the purposes of the Program description, the goals for the two project areas are consolidated and summarized below.

 **Create a Stronger Local Economy.** Strengthen the economic base of the Project Areas and the community at large by installing needed site improvements and stimulating new commercial expansion, employment and economic growth. Establish financial mechanisms to assist and encourage commercial development opportunities.

 **Improve Public Infrastructure and Services.** Provide necessary public improvements, including but not limited to flood control facilities, street improvements, parking supply, and traffic circulation. Develop emergency, cultural, recreational, maintenance, operational, and other services and facilities.

 **Use Land Wisely.** Assemble land into parcels suitable for integrated development with improved pedestrian and vehicular circulation in the Project Areas. Guide and secure the availability of property to attract major investors and developers. Guide replanning, redesign, and development of undeveloped areas which are stagnant or improperly utilized.

 **Eliminate Blight.** Eliminate deteriorating buildings, incompatible and uneconomic land uses, and other environmental, economic and social deficiencies; improve the overall appearance of buildings, streets, parking areas, schools and other facilities, and assure that all buildings are safe for people and businesses to occupy.

 **Protect and Enhance Community Character.** Preserve artistically, architecturally, and historically worthwhile structures and sites and upgrade urban design standards to provide unity and to encourage community identity.

All economic development activities are pursued with the intention to seek communitywide benefits that create a more cohesive and unified community by strengthening the physical,

social, and economic ties between various land uses. The City encourages community and property owner involvement and citizen participation in the adoption of policies, programs, and projects so as to ensure that the Economic Development Plans are implemented in accordance with the objectives and goals of the General Plan. As necessary, the City encourages the coordination, cooperation, and assistance of other local agencies to ensure that projects are implemented to their fullest and most practical extent.

In terms of metrics, the City would evaluate the resources expended on an annual basis against several measures, including:

- Increased tax revenue (Sales, Property, TOT)
- Decreased vacancies, particularly long-term vacancies
- Total new business investment
- Total other public/private sources of funding (e.g. tax credits, grants)
- Total new public works investment

The goal would be that the Program “pay for itself” over time, i.e., that the amount committed by the City to spur new development be matched by increased City revenue from all sources, with the new tax revenue in excess of any annual allocation of funds from the City. The natural mechanism available to former redevelopment agencies, the establishment of a “frozen base” of property tax, is not available to the City at this time, but the City could develop a geographic baseline of total tax revenue from the areas in order to track economic progress.

Another measure of economic vitality would be the rate of new business creation in the area, as measured by business license data. The City will establish a baseline of data for business licenses, which should show a normal aging curve. The experience in certain marginalized areas is typically that the aging curve of business licenses is relatively flat, pointing to a low rate of new business creation in the area and a low rate of economic vitality.

Another measurable aspect of the Program would be the rate of code enforcement complaints, whether they are active files or complaints themselves. The closure rate for complaints, particularly through properties changing hands and undergoing renovation, is also key.

Finally, the amount and profile of investment in the area will be tracked. Most of the properties there are small enough to be manageable by a small firm or group, and significant investments by groups that have the potential to and interest in leveraging their investments into wider area-wide efforts will also be noted.

Program Principles and Objectives

1. Coordinate Future Development. The replanning, redesign, and development of undeveloped areas, which are stagnant or improperly utilized.
2. Assure Commercial Vitality. The strengthening of retail and other commercial functions in the area.
3. Stimulate Economic Development. The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements to stimulate new commercial expansion, employment, and economic growth.
4. Invest in Development. The establishment of financial mechanisms to assist in the upgrading and/or economic development of properties in the Project Area.

5. Upgrade Urban Design Standards. The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project.
6. Promote Hotel Development and Redevelopment. The establishment of financial mechanisms to assist in the development of key hotels and resort properties. The establishment or implementation of programs to assist in the upgrading and/or adaptive reuse of the older hotel structures in the Project Area.
7. Rehabilitate Structures. Encouraging the rehabilitation or modernization of deteriorating or substandard residential and commercial structures.
8. Redevelop Dilapidated Buildings The demolition or removal of certain buildings and/or improvements and the preparation of sites for reuse by private developers or government agencies.
9. Improve Public Infrastructure/Facilities. Providing public improvements such as the installation, construction, or reconstruction of streets, utilities, and other public improvements which are necessary for successful economic development and which are necessary to ensure the public health, safety, and welfare. These improvements may include streets, alleys, sidewalks and walkways, curbs, gutters, street lights, sewers, storm drains, flood control facilities, water and sewer facilities, or parks.
10. Protect Unique Character of Community. Restoring architecturally or historically significant structures.

Rehabilitation Loans, Grants, and Rebates

To the greatest extent allowed by State Law, the City may commit funds from any source to rehabilitation programs for the purposes of loans, grants, or rebate payments for self-financed rehabilitation work. The rules and regulations for such programs shall be those which may already exist or which may be developed in the future. The City shall seek to acquire grant funds and direct loan allocations from State and federal sources, as they may be available from time to time, for the carrying out of such programs.

Section 2.

Façade Improvement Guidelines

The City of Carson has developed a Façade Improvement Program which is designed to encourage improvement and investments that contribute to the overall revitalization effort in the city. The Façade Improvement Program features grants with no matching requirements of **up to \$2,500** to finance all or a portion of a property owner or tenant's **exterior** improvements, and grants of up to \$25,000 with a dollar-for-dollar match from the applicant. The Program may feature complimentary design guidance for program participants, as well as an expedited design approval process.

Eligible uses of funds are for:

- Exterior Signs (installation of new or repair or replacement of legally installed and mounted signs; including neon or halo lit signs);
- Awnings, canopies, or sunshades (installation of new or repair or replacement of fixed metal or fabric awnings), which could include perpendicular wall-mounted castle banners (without signage);
- Painting or exterior surface treatment (stucco, tile, stone, or brick replacement or repair);
- Asphalt paving, replacement or repair of tiles or decorative pavers (not in the public right-of-way); sidewalk or courtyard repaving (not in the public right-of-way);
- Repair or replacement of masonry walls or footings;
- Outdoor lighting (installation of new exterior lighting fixtures; repair or replacement of existing exterior lighting fixtures);
- Installation, repair or replacement of decorative or security fencing;
- Replacement of plate glass windows; re-glazing of windows or change of window mullions with the approval of architectural application by the City;
- Installation or replacement of outdoor landscaping and fountains;
- Design and permit fees associated with the above eligible improvements.

Uses Not Eligible:

Funds may not be used for improvements that are not permanent or mounted or affixed to the building or the sidewalk. Ineligible uses include but are not limited to:

- Vinyl letter signage (windows);
- Portable signs, such as sandwich board or A-frame signs; signs not mounted or attached to storefronts;
- Flags or banners;
- Benches and trash receptacles;
- Tables, chairs, or umbrellas.

Eligible Applicants:

Property owners or business tenants located in Carson, with the priority being for locations on Avalon Boulevard, Main Street, Figueroa Street, and Carson Street. A business owner that is not the property owner must show evidence of the right to alter the property, or consent from the property owner.

Grant Amounts:

If the City provides all the project funding, the maximum grant shall be \$2,500. However, applicants are encouraged to match City funds: the maximum grant increases to \$25,000 if the applicant matches the City funds with a \$22,500 private contribution. The grant increases on a dollar-for-dollar basis over \$2,500, up to the \$25,000 cap. All grants are on a reimbursement basis with evidence of completeness and payments to contractors and subcontractors required.

For owners of multi-tenant centers, the maximum grant is \$250,000 based on a total expenditure of no less than \$500,000. The requirements for center owners are:

- The development of a Signage Program for the center and the implementation of no fewer than 50% (or 6 signs, whichever is more) of the individual tenant signs in the center. This includes installation of new or repair or replacement of legally installed and mounted signs; including neon or halo lit signs;
- Replacement of awnings, canopies, or sunshades (installation of new or repair or replacement of fixed metal or fabric awnings) if they are currently featured in the center;
- Painting or exterior surface treatment of the entire façade (stucco, tile, stone, or brick replacement or repair);
- Asphalt paving, replacement or repair of tiles or decorative pavers (not in the public right-of-way); sidewalk or courtyard repaving (not in the public right-of-way);
- Repair or replacement of masonry walls or footings;
- Outdoor lighting (installation of new exterior lighting fixtures; repair or replacement of existing exterior lighting fixtures);
- Installation, repair or replacement of decorative or security fencing;
- Replacement of plate glass windows; re-glazing of windows or change of window mullions with the approval of architectural application by the City;
- Installation or replacement of outdoor landscaping and fountains, particularly the replacement of decorative perimeter landscaping to drought-tolerant;
- Design and permit fees associated with the above eligible improvements.

Process:

Applications are available in the City of Carson Community Development Department. The application asks for a narrative description of the project scope. The applicant is required to hire the contractor and is responsible for obtaining design approvals. The City shall provide some assistance in scoping the project and will reimburse the applicant for work performed, based on submittal of evidence of work performed and paid.

APPLICATION ON NEXT FOUR PAGES

APPLICATION FORM

APPLICANT INFORMATION

Business Name:	
Business Address:	
Applicant's Name:	
Address:	
Phone:	
Email:	

PROJECT DESCRIPTION

<p>Description of Requested Improvements:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Estimated Cost: _____</p> <p>Is this your estimated cost, or have you obtained a bid or estimate from an architect or contractor?</p> <p>___self ___contractor ___architect</p> <p>(Please provide a copy of estimate if available)</p>	<p>Please note that if the City provides all of the project funding, the maximum grant shall be \$2,500. However, applicants are encouraged to match City funds: the maximum grant increases to \$5,000 if the applicant matches the City funds with a \$2,500 private contribution. The grant increases on a dollar-for-dollar basis over \$2,500, up to the \$25,000 cap.</p> <p>Property owners of multi-tenant centers undertaking improvements on behalf of the entire center are eligible for up to \$250,000 on a dollar-for-dollar match basis.</p> <p>Amount applying for: \$ _____</p>
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APPLICATION FORM
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PROPERTY INFORMATION

<p>FOR OWNER OCCUPANTS</p> <p>I hereby certify that I am the owner of my business property. The property is vested (owned) under the following name:</p> <p>Property Owner Legal Name:</p> <p>_____</p> <p>Contact Information:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Assessors Parcel Number:</p> <p>_____</p>	<p>FOR TENANT/LESSEES</p> <p>I am a lessee/renter of the space for which I am applying for a Façade Improvement Grant. The owner of the property is:</p> <p>_____</p> <p>Contact information for the property owner:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Remaining years on lease term: _____</p> <p>Assessors Parcel Number:</p> <p>_____</p>
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PROGRAM BOUNDARIES

<p>The boundaries of the areas are:</p>

APPLICATION CHECKLIST

All applicants must provide:

- ☐ Application (Completed and Signed by Applicant)
- ☐ If incorporated, evidence that applicant has authorization to apply for program
- ☐ Verification of Property Ownership, if owner (Title or Deed of Trust)
- ☐ Evidence of Tenant's Right to Make Improvements, if tenant or lessee (Signed)
- ☐ Description of Scope of Work
- ☐ Estimate or Bid, if available
- ☐ Copy of Valid Carson Business License (Applicant)
- ☐ Copy of Valid Carson Business License (Contractor hired to perform work)

No assistance may be provided for any contract awarded before the application is approved. Once the application is approved by the City, the applicant must provide the following:

- ☐ Evidence of required permit approvals from the City of Carson
- ☐ If claiming cash match, provide verification of funds availability (loan agreement, canceled checks, etc.)

I hereby declare that the foregoing information is true and correct to the best of my knowledge. I authorize the City of Carson to verify the information to determine my eligibility and to conduct an inspection of my property. I understand that as the applicant I will hire the contractor and am responsible for obtaining design approvals. I understand that the program provides that the City will reimburse the applicant for work performed, based on submittal of evidence of work performed and paid, and that the City will not pay contractors or vendors directly.

Applicant

Date

Mail or deliver completed application with copies of required documents to:
City of Carson – Department of Community Development
701 E. Carson Street, Carson, CA 90745
or email: JNguyen@carsonca.gov
Questions please call: 310-830-7600