



MONTGOMERY COUNTY, MARYLAND

Department of Housing and Community Affairs

GUIDELINES FOR THE COUNTYWIDE FAÇADE IMPROVEMENT PROGRAM and FAÇADE REFRESH GRANT PROGRAM

TABLE OF CONTENTS

Program Overview and Administration	2
Section I – Countywide Façade Improvement Program	
Eligibility Requirements	2
Program Interest Form	3
Architectural Review Committee	3
Program Offer Letter	4
Project Commencement & Public Notice	5
Easement Recordation & Participant Reimbursement	5
Funding Levels & Easement Terms	5
Eligible Project Elements	6
Completed Project Inspections and Maintenance Requirements	6
Easement Repurchase Formula	7
Section II – Façade Refresh Grant Program	
Program Objective	8
Administration	8
Eligibility Requirements	8
Eligible Project Elements	9
Procedural Requirements	9
Grant Limitations & Conditions	10

Overview and Administration
Countywide Façade Improvement Program
and Façade Refresh Grant Program

These guidelines are provided to outline requirements for the Countywide Façade Improvement and Façade Refresh Grant Program. Both programs were established to provide technical and financial assistance for commercial property and business owners who wish to make physical improvements to their building facades (exteriors) and property sites. The goal of both programs is to help ensure that older commercial properties are improved to meet today’s standards by creating visually appealing and inviting exteriors.

The Countywide Façade Improvement Program was developed to assist property and business owners with completing significant changes or improvements to a building façade and represents a medium to higher cost investment option, while the Façade Refresh Grant Program is geared toward a lower cost investment option. While both programs are useful investment tools for property and business owners, they do vary in project scope and overall investment costs.

DHCA’s Neighborhood Revitalization staff is responsible for providing technical and advisory services to ensure proper and efficient administration of the programs. This includes the review and approval of projects for program eligibility, documentation preparation, project inspections and timely processing of payments once a project is completed.

The overall objective of these programs is to facilitate aesthetic improvements to commercial centers in the County, resulting in safer and more inviting shopping environments that will spur increased patronage and promote desired neighborhood revitalization throughout the County.

Following are details of the Countywide Façade Improvement Program (Section I) and Façade Refresh Grant Program (Section II).

SECTION I – COUNTYWIDE FAÇADE IMPROVEMENT PROGRAM

1. Eligibility Requirements

An eligible program applicant must be:

- the owner of a commercial or mixed-use property; or
- a lessee of the property, if the property owner agrees, in writing, to allow lessee to participate in the program.

Employees of DHCA and their family members are NOT eligible to apply for this program. The participation of other County employees may require the review and approval of the County's Chief Administrative Officer and the County's Ethics Commission.

An eligible property must be:

- located in Montgomery County, Maryland; and
- an existing building more than ten (10) years old at time of application; and
- a commercial building or mixed-use building with a retail component; and
- an existing building four or less stories tall.

Projects throughout the County are eligible for participation, with priority consideration given to projects that:

- are located in one of the program priority areas of Glenmont, Hillandale, Layhill, Long Branch, Montgomery Village or Wheaton; and/or
- are located in an Equity Focus Area* within the County; and/or
- are mixed-use, but not exclusively used for or converted to housing; and/or
- have significant first floor retail.

**Find more information and a map showing Equity Focus Areas at:*

<https://montgomeryplanning.org/planning/equity-agenda-for-planning/the-equity-focus-areas-analysis/>.

Important Note: Any project considered for participation must achieve the program’s objective to provide significant improvements to the façade and improve the overall physical appearance of the building. The Architectural Review Committee (the “Committee”) will be responsible for determining if the project accomplishes this objective.

2. **Program Interest Form**

Interested property and/or business owners must complete a Program Interest Form found at www.montgomerycountymd.gov/DHCA/community/neighborhood/facade.html. However, all documentation for agreements and easements noted later in this process must be signed and executed by the owner(s) of the property. Program Interest Forms are accepted on an ongoing basis and are reviewed and evaluated on a first-come, first-served basis. DHCA staff will follow-up via email verifying receipt of all Interest Forms.

Required Program Interest Form information:

- property owner name, business name, phone number and email address;
- lessee’s name, business name, phone number, email address, and lease expiration date, if lessee is the applicant;
- property or business address, if different from owner or lessee contact information, for which the application is being submitted;
- age of property at which façade improvements will be implemented;
- general description of planned, eligible project improvements; and
- estimated budget for project improvements.

3. **Architectural Review Committee (Committee)**

Proposed projects/applicants meeting the requirements for Program Participation will be emailed requesting the submittal of project concept designs and other materials as outlined below:

- existing photos of the building(s);
- concept design drawings of all sides of the building that will be improved;
- concept design plans for any site improvements, **if applicable**;
- material samples, color selections and manufacturer information for all materials. This can be provided electronically or on a material’s board;

- detailed, line-item cost estimates for constructional project elements; and
- estimated architectural and engineering service fees.

Once these items are ready, the applicant and/or their architectural and engineering firm may mail, hand deliver or email them to DHCA staff (email to be provided by staff) who will then schedule a date to present the proposed project and plans to the Committee (either in-person or online via TEAMS or ZOOM) for feedback and suggestions. Following the presentation meeting, the Committee will make a recommendation to the DHCA Director to either approve the project, with or/without contingencies, or to otherwise disapprove the project. Applicants of disapproved projects will be notified via email regarding the basis for this decision.

After reviewing the recommendation of the Committee, the DHCA Director has the absolute and sole discretion on whether to approve the project for funding. **The Director's decision is final. ALL PROJECT APPROVALS ARE SUBJECT FUNDING AVAILABILITY.**

If the property is located within an historic district and/or is on the historical register, program participants shall be responsible for obtaining the approval of the Historic Preservation Commission, to complete any improvements related to this project.

If requested by a program participant, DHCA will provide a non-partial list of architectural/engineering firms who have provided design services for other program participants in the past. Program participants are not required to use any of these firms and may choose a design firm of their choice.

4. **Program Offer Letter**

A Program Offer Letter will be provided by DHCA's Director to a program participant for any approved project. This letter will detail the project funding amount offered by the County (in the form of an easement purchase) along with the correlating easement purchase terms and conditions as noted below. This letter will also include a sample of the preservation easement agreement, for review. This Letter must be signed by the property owner and returned by email to DHCA within ten (10) business days of receipt.

In addition to the signed Program Offer Letter, program participants must provide DHCA with the following information and documentation:

- property Tax ID number;
- certificate of insurance for the property's casualty and liability insurance naming Montgomery County as an additional insured;
- if the program participant is a business entity with a Board of Directors or a Managing Member, a resolution from the Board or the Managing Member accepting the terms of the Program Offer Letter and authorizing the participant to sign the Program Offer Letter on behalf of the business entity;
- letter from the construction contractor indicating both the anticipated start and completion dates for the project; and
- a current title report for the property paid for by the owner.

5. **Project Commencement and Public Notice**

Following the return of the executed Offer Letter to DHCA staff, a public notice for projects with easement terms of five (5) or more years shall invite written comment to DHCA concerning the County's funding/purchase of the easement, with a deadline date for receiving public comments of no more than 30 days after the public notice is disseminated.

During this process, DHCA shall take steps to notify the general public of the proposed easement purchase, project location and general scope of work. This may include one or more of the following methods: notice on DHCA's website; posted notice at the project site; posted notice in online community news/ social media platforms; , emails or notice in newsletters and community listservs sent by one or more of the County's Regional Services Centers, and/or in-person notice by DHCA staff at local community meetings/forums. In addition to the public notice, notice of the County's proposed easement purchase shall be sent, by mail, to all property owners within 500 feet of the project property/site.

At the conclusion of the 30-day public notice, DHCA will email a Notice to Proceed for the completion of the project's design and construction activities to the property owner and/or lessee, if applicable.

Design and construction activities should be completed within a reasonable timeframe, based on the project's scope. Requests for project extensions will be granted on a case-by-case basis.

During project construction and/or at project completion, DHCA may request that the property owner allow the County/DHCA to display/hang banner signage (to be installed and removed by the County at no cost to the program participant) acknowledging County and program support for the project.

6. **Easement Recordation and Participant Reimbursement**

Program participants must submit to DHCA, within forty-five (45) days of the project's completion, all invoices and receipts for eligible project costs. Upon review and approval of the submitted invoices and payment receipts, DHCA will issue a check to the program participant for the reimbursement payment within thirty (30) days, after which check issuance DHCA will record the easement granted by the property owner to the County and any required subordination agreement (detailed below) among the County's land records, All program participants **must register** in the County's [Central Vendor Registration System \(CVRS\)](#) in order to receive payment from the County.

7. **Funding Levels and Easement Terms**

Program participants will be reimbursed for up to 50% of the total eligible project costs, up to \$500,000*. *The County's participation in this program will be based on the availability of funds at the time the Program Offer Letter is executed.*

*County reimbursement amounts above \$500,000 MAY be available at the discretion of the DHCA Director on a per-project basis, based on the availability of program funds and evaluation of the overall scope of improvements as related to the program’s goals. Program participants will be reimbursed up to 50% of the Total Project Costs:

Total Project Costs	Facade Easement Term
\$150,00-\$300,000	Three (3) years from easement recordation
\$300,001-\$700,000	Five (5) years from easement recordation
\$700,001- \$1,000,000	Seven (7) years from easement recordation, with lien subordination required, if applicable**

For properties with a current deed of trust, the trust holder and beneficiary **must agree to subordinate their lien to the County’s façade easement (the County will provide the required subordination agreement to participants, when applicable).

8. Eligible Project Elements

All approved projects **must** provide for the installation of new façade materials (not including paint), canopies/awnings and building signage on at least 50% (excluding window and door areas) of the main face or front of the building. Site improvement expenses **cannot** exceed 15% of the building façade improvement costs. The items below may be considered for approval as eligible project elements when included as a component of the overall facade improvement project:

- required demolition of existing façade;
- new signage on building including lighting;
- cleaning and/or painting of building exterior;
- installing new windows/doors;
- installing new canopies/awnings;
- installing new property/center pylon signage on site;
- installing new exterior site lighting;
- exterior electrical work (i.e., burying and/or relocating electrical wires/poles);
- parking lot and/or sidewalk repaving/replacement, (i.e., new asphalt, concrete, pavers, etc.);
- installing new landscape plant material, ideally low-maintenance, non-invasive species;
- reconfiguring and/or restriping parking lot to improve vehicular/pedestrian circulation, increase parking, improve vehicular ingress/egress;
- installing new dumpster enclosures;
- installing convenience features, including affixed benches or other permanent, outdoor seating, with priority given to elements that introduce/contain artistic features (i.e., painted benches, decorative tables, etc.); and/or
- new or refurbished exterior wall murals and/or commissioned or purchased permanent public art sculptures/features.

9. Completed Project Inspections and Maintenance Requirements

Proper maintenance of a completed project is a requirement of the program, as detailed in the Program Offer Letter and easement agreement. Thus, each completed project will be inspected

by DHCA periodically during the easement term to ensure project elements are maintained and unaltered, based on the submitted and approved design plans.

Within 15-days of such inspection, DHCA will provide, if needed, written notice to the program participant (and the owner of the property if not the program participant) of any observed damage, deterioration (other than normal wear and tear) and/or unapproved alterations to the project.

Noted damage and/or unapproved alterations must be remedied by the program participant within the timeframe provided in DHCA's written notice. The timeframe will be based on the level of damage and/or unapproved alterations observed during inspection.

10. **Easement Repurchase Formula**

A program participant may, upon written request to DHCA, repurchase the easement prior to the end of the easement term. For example, the repurchase payment for an original five-year easement term purchased by the County for \$350,000 and repurchased by a participant after four years is calculated based on the following formula:

Step 1 - Multiply the original easement term by 12 (5-year term x 12 = 60-month term);

Step 2 - Divide the original easement purchase amount by the number of months in the term ($\$350,000/60 = \$5,833.33$ monthly term value);

Step 3 - Subtract the length of the term held to date (in months) from the original term (in months) 60 months – 48 months = 12 months left in term;

Step 4 - Multiply the remaining months left in the term by the monthly term value to get the total easement repurchase amount (12 months x $\$5,833.33/\text{month} = \$69,999.96$). This is the repurchase amount.

SECTION II – FAÇADE REFRESH GRANT PROGRAM

1. Program Objective

The Façade Refresh Grant Program (Refresh Grant) was created to encourage and support owners of smaller commercial properties and businesses in Montgomery County to make modest yet needed or desired improvements that will enhance the visual appearance of their property or business storefront. The program was designed considering the ongoing financial challenges many property and business owners have faced in recent years and continue to face in this uncertain economic climate. Funding provided through this program will allow owners to undertake smaller façade improvements that, without such funding support, may not otherwise occur. The program objective is to counteract serious decline in the condition, quality and appearance of commercial property and business facades throughout the County.

2. Administration

- a. The Department of Housing and Community Affairs (DHCA) will be responsible for administering the Refresh Grant and establishing the necessary procedures and practices to ensure the expeditious implementation of the program.
- b. The Refresh Grant will be available unless specifically terminated by the DHCA or until funding is no longer available.

3. Eligibility Requirements

- a. An eligible program applicant must be:
 - the owner of a commercial or mixed-use property; or
 - a lessee of the property, if the property owner agrees, in writing, to allow lessee to participate in the program.
- b. An eligible property must:
 - be located in Montgomery County, Maryland; and
 - be an existing building more than ten (10) years old at time of application; and
 - be a commercial building or mixed-use building with a retail component; and
 - be an existing building four or less stories tall.
- c. Properties should be primarily used for retail purposes. Street level businesses, other than retail, may be considered for the program, based upon funding availability, location, and contribution to overall revitalization objectives.
- d. Employees of DHCA and/or their family members may apply for this program. Their participation in the program is subject to review and approval by the County's Chief Administrative Officer and/or Ethics Commission.

4. Eligible Project Elements

- a. The Refresh Grant may be used to fund the following façade refresh improvements:
- up to two (2) canopies and/or signs per property/storefront, to include electrical work required for any illumination of new signs and/or canopies (eligible signs may include those attached to the building, projecting from building, pylon signs and/or other signs approved at the discretion of DHCA staff);
 - new paint treatment for the property’s exterior including the front and/or sides of the property to match or compliment the new canopies and/or signs (to be eligible for grant reimbursement for painting, the project must include at least one new canopy or sign AND a minimum of 100% of the visible or exposed front/entrance of the façade must be newly painted).

5. Procedural Requirements

- a. Decisions regarding the technical and aesthetic aspects of all Refresh Grant project applications will be negotiated on a case-by-case basis, keeping the overall program objectives and cumulative visual results in mind.
- b. The County’s financial participation is dependent upon full staff approval of all aspects of the Refresh Grant project. **ALL PROJECT APPROVALS ARE SUBJECT TO FUNDING AVAILABILITY.**
- c. Applicants may review DHCA’s Façade Design Guidebook for canopy, signage and façade painting ideas at:

montgomerycountymd.gov/DHCA/Resources/Files/community/neighborhood/publications/2023_01_27_DHCA%20Facade%20Guidebook.pdf

Interested property or business owners should complete the Façade Refresh Grant Program application found at:

montgomerycountymd.gov/DHCA/community/neighborhood/facade.html

In addition to basic contact information, the following **must** be included with application submittal:

- photo(s) of the existing building front/areas to be refreshed; and
- a drawing/picture of the proposed canopy(ies) and/or sign(s); and
- cost estimates from the canopy and/or sign fabricator/installer and for painting services, if applicable; and
- for projects including new paint, the exact paint color and brand to be used and a drawing or photo of the exact exterior location of the new paint application; and
- timeframe to start and complete the project.

Following application submittal, DHCA staff will email applicants to request more information, if needed, and relay next steps.

6. Grant Limitations and Conditions

- a. If the property is located within an historic district and/or is on the historical register, program participants shall be responsible for obtaining the approval of the Historic Preservation Commission, to complete any improvements related to this project.
- b. Grants shall be limited to no more than 50% of the total cost of all approved project elements (to include sign/canopy design, manufacture and installation and paint and painting services, if applicable), with the maximum grant **not to exceed \$15,000**.
- c. Grants up to \$10,000 can be approved by DHCA program staff. Grants above \$10,000 must be approved by the DHCA Director before project approval.
- d. Approved applicants may only apply for a Refresh Grant once within a five-year period from project completion for the same property and/or business address.
- e. Applicants are responsible for any and all permits as required by the Department of Permitting Services for improvements associated with this grant.
- f. Grant funds will only be disbursed **AFTER** the following actions have occurred:
 - i. all necessary/appropriate permits have been obtained from the Department of Permitting Services and closed out, and evidence of same has been provided to DHCA; and
 - ii. all Refresh Grant project elements have been completed/installed; and
 - iii. project has been inspected and approved by DHCA staff; and
 - iv. all invoices related to the project have been submitted to DHCA by the tenant and/or owner, along with proof of payment. No grant will

be disbursed for a completed project without proof of payment from all project vendors/contractors who participated in the project. **NO EXCEPTIONS**

- g. All new signage must conform to the statutory and regulatory requirements as set forth in the Montgomery County Code and Code of Regulations.
- h. The County/DHCA reserves the right to disapprove any application on the sole basis of it being in conflict with other County policies.

Countywide Façade Improvement and the Façade Refresh Grant Programs, Approved and Adopted by the Montgomery County Department of Housing and Community Affairs:

Scott Bruton

Scott Bruton, PhD, Director
Department of Housing and Community Affairs

11/15/23

Date