



## City of Racine

730 Washington Ave.

Program Contact:

Ken Plaski

Chief Building Official

**(262) 636-9161**

The White Box Program is targeted to currently vacant, first-floor interiors of commercial buildings older than 50 years for the purpose of bringing these older commercial spaces into conformity with modern building code requirements (plumbing, electrical, Americans with Disabilities Act, HVAC). The goal of the program is to incentivize older, first floor commercial spaces into active, code conforming "white boxes" for lease or use by retail and restaurant tenants.

*Remember to consult with City Building Department to determine project eligibility and to understand if building permits and inspections will be required as part of your project.*

## Commercial "White Box" Grant Program

The City of Racine White Box program is designed to encourage the redevelopment of older commercial buildings as vibrant, retail commercial spaces within traditional neighborhood districts and downtown. The City recognizes that many buildings may be non-compliant with modern building codes and that the cost of these improvements often fall to new entrepreneurs looking to establish small businesses.

The program will make available a new business development incentive to commercial building owners and developers. The incentive will offer reimburseable grant funds up to \$10 per square foot with a maximum of \$20,000. The grant may not exceed 50% of the total white box project costs. The grant may be paired with the City's Commercial Building Façade Grant Program, but there may be restrictions on using these programs in combination.

### Eligibility Requirements

1. All work being done must be for a currently vacant, commercially-zoned building on property located within the program boundaries (see program map).
2. The program is available to business owners and property owners for work performed on the interior of currently vacant first floor spaces with an active street presence along an arterial/trunk street.
3. Grant funds cannot be used to correct outstanding code violations, for property damage by collision, acts of nature or occurrences covered by insurance.
4. Only work begun after approval by the Downtown Area Design Review Committee (DADRC) and the Racine Redevelopment Authority (RDA) will be eligible for grant funds.
5. All work must comply with the City of Racine Building Department Code requirements and all relevant permits and inspections are required.
6. If a retail or commercial business is applying for the grant, only one white box grant will be awarded per business. If the property owner is applying for a grant, only one white box grant may be awarded within a calendar year.
7. If there is a competitive award process, funding for retail and restaurant commercial spaces is preferred over office uses.

**Ineligible Properties:**

1. Improvements for tax exempt properties
2. Work begun or materials purchased before grant approval
3. Properties in litigation, condemnation or receivership
4. Properties that have outstanding taxes, fees, penalties, or delinquencies with federal, state or local governments
5. Properties found to be in violation of alcohol or soda licenses or any Racine license
6. Properties not currently vacant or commercially-zoned or on arterial/trunk streets
7. Buildings less than 50 years old

**Eligible expenses include:**

1. Interior plumbing, electrical or HVAC improvements that results in compliance with current building code
2. Repairing or replacing drywall, plaster walls, floors or ceilings
3. Repairing or construction of required bathrooms
4. Repairs or construction required under the Americans with Disabilities Act

**Ineligible costs include purchase or installation of:**

1. Personal property
2. Security systems
3. Kitchen equipment
4. Windows, doors, or stairways
5. Signage, lighting, paint or wallpaper
6. Any improvement to correct outstanding code violations
7. Property damage due to collision, acts of nature or occurrences covered by insurance
8. Any work started before the approval of the grant or materials purchased prior to the grant
9. Any exterior improvements
10. Building permits, government approvals and taxes
11. Payment of fines, forfeitures or inspection fees

Grant will not reimburse for labor if self-contracted. Material cost and labor costs of employees are eligible, if the number of hours worked, rate of pay, and employee social security numbers are provided.

## Application Review & Process



1. **PRE-APPLICATION MEETING:** We recommend that potential applicants contact the Chief Building Inspector(262/636-9161) to evaluate their eligibility for the program. Please note that applications must be received and reviewed by the Downtown Area Design Review Committee (DADRC) and approved by the RDA before any work begins. Grants will not be awarded to projects that are under construction or completed.

Depending on the building, proposed use, size of building, building components, etc. it may be necessary for multiple City inspectors to inspect the building or space to provide a complete overview. The Chief Building Official and inspectors will assess the building and provide a Summary of Findings Report (SFR). The SFR will identify the major impediments that may be necessary to address before occupancy of the building or space.

The White Box Inspection is not intended to identify every detail or every code requirement. The intent is to identify significant deficiencies within the first floor commercial space (based on the applicant's proposed use) that will add a significant cost to their plan to occupy the space. It may still be necessary for the applicant to obtain the services of a architectural or engineering professional to prepare plans and specifications for their project.

2. **APPLICATION REVIEW:** Chief Building Inspector will determine if the application package that is submitted is sufficiently complete to review, and will submit to Downtown Area Design Review Committee (DADRC). The DADRC meets once a month. The application package must be submitted at least two weeks before a committee meeting to allow proper review and preparation for committee review.
3. **DESIGN REVIEW COMMITTEE:** The application package will be reviewed by the DADRC to determine whether the project should receive an award and determine the amount of the award. In making the determination, the committee will consider the following factors and may give priority to projects that meet the following criteria:
  - Is the first floor space vacant? Has the vacancy been a result of code compliance?
  - Does the project contribute to the establishment of a new retail business or restaurant within an established business district in the City?
  - Will the project positively contribute to the city's redevelopment effort in the neighborhood?
  - Will the project ameliorate a blighting influence?

- Will the project substantially leverage more investments than the required matching amount of the grant?
- Will the grant result in an improvement that, otherwise, would not be made?
- Does the project comply with the City of Racine building code requirements?

**4. RDA APPROVAL:** The Redevelopment Authority of the City of Racine (RDA) will make the final determination for funding, based upon the recommendation of the DADRC. The RDA will approve the White Box Program Grant Incentive Agreement, which is a contract between the RDA and the Contractor that stipulates the terms of the grant incentive agreement.

**Required Materials for Applications**

Application packages must include enough documentation to illustrate the visual impact of the project and its costs. Failure to provide a complete application package will delay the review process. The items submitted should include:

- a. Completed, signed, and dated application form.
- b. Specific details of proposed improvements (intended use of funds).
- c. Current photos of existing conditions of property interior.
- d. Scaled floor plans.
- e. Building permit applications, if required.
- f. Samples of materials to be used.
- g. Written consent from property owner giving permission to conduct building improvements, if applicant is not property owner (attached to application).
- h. For improvements, two competitive proposals from licensed and bonded contractors are required. These proposals should give detailed information about the work to be done, the costs, the projected completion schedule. Any contractor that has submitted a competitive and detailed estimate may be used. Contractors cannot be changed unless new proposals have been submitted and approved.
- i. Property owners or business owners who is the contracting business and intent to perform work on their own properties must furnish at least one proposal other than their own.
- j. Property owners or business owners may also perform work on their own buildings; however, they will not be reimbursed for labor costs when acting as a contractor and/or installing materials. However, material costs may be reimbursable. If project is self-contracted and labor costs are requested for employees of the contractor, include hours worked, rate of pay, and employee social security numbers on a separate sheet of paper, sealed within an envelope (may also require pay stubs, timesheets, contracts, and other documentation).

- k. Prior to the signing of the White Box Program Grant Incentive Agreement, the Contractor will have to provide proof of required insurance to the Chief Building Inspector. Insurance must be obtained and maintained during the project period:
- I. General Liability - One million dollars (\$1,000,000) per occurrence (\$2,000,000 general aggregate if applicable) for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the RDA) or the general aggregate including product-completed operations aggregate limit shall be twice the required occurrence limit.
  - II. Workers Compensation - Contractor shall cover or insure under the applicable Wisconsin labor laws relating to worker's compensation insurance, all of their employees in accordance with the law in the State of Wisconsin. The Contractor shall provide statutory coverage for work related injuries and employer's liability insurance with limits of \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.

#### **Award Reimbursement**

1. Reimbursement is up to \$10 per sq. /ft. of first floor commercial space. The total reimbursement is limited to no more than 50% of qualified eligible expenses, not to exceed a maximum of \$20,000.
2. The City of Racine reserves the right to refuse reimbursements in whole or in part for that which:
  - Does not conform to the program of guidelines.
  - Does not conform to the proposals submitted in the application and authorized by the DADRC or the RDA.
  - Are not commensurate with the workmanship and cost customary to the industry.
  - Are not completed within one year from the date of award. The City will not reserve funds and any approval not completed or significantly progressing may be cancelled. Request for an additional six month extension will be considered and awarded administratively only if made in writing with at least 50% completion of the approved project demonstrated.
  - If the finished project does not conform to the application as it was submitted and approved.
  - For work that is not commensurate with the workmanship and cost customary to the industry.

### **Required Materials for Reimbursement**

Reimbursement can be expected in approximately three (3) to six (6) weeks after all of the following documentation has been submitted:

- Copies of all paid invoices, canceled checks, and/or bank statements for all of the work covered by grant. These must equal at least the required matching amount. The invoices must be marked paid, signed, and dated by the contractors.
- Lien waivers from all contractors/subcontractors. Lien waivers cannot be substituted for canceled checks or bank statements.
- Color photographs of completed project.

# COMMERCIAL “WHITE BOX” GRANT APPLICATION

## **Applicant/Project Contact Information**

Name:

Address:

Phone:

## **Business or Leaseholder Information**

Name of business:

Business Owner’s/Leaseholder’s Name:

Address:

Phone:

## **Property Owner Information**

Name:

Address:

Years Owned Building:

Age of Building:

Area of First Floor (Square Feet):

## **Proposed Improvements (describe in detail)**

## Written Consent of Property Owner

*Written consent of the property owner is required when the applicant and property owner are different entities or persons. Please submit with initial White Box grant application.*

- I certify that I am aware of the attached application for the City of Racine White Box Program submitted for property that I own by a developer or leaseholder.
- I give my permission to the applicant, if a lessee or developer, to apply for the grant.
- I consent to the improvements proposed for my building and will accept responsibility for any permit or code violations that arise from the proposed improvements.
- I acknowledge that the City Building Division employees will inspect my property during the application period and will make reports as to compliance with building codes. By submitting this application, I consent to all inspections by the City Building Division employees for the purposes of this application consideration.
- I acknowledge that depending on the building, proposed use, size of building, building components, etc. it may be necessary for multiple City inspectors to inspect the building or space to provide a complete overview. The inspectors will assess the building and provide a Summary of Findings Report (SFR). The SFR will identify the major impediments necessary to address before occupancy of the building or space.
- I acknowledge the White Box Inspection is not intended to identify every detail or every code requirement. The intent is to identify significant deficiencies in the building or space (based on the applicant's proposed use) that will add a significant cost to their plan to occupy the space.
- I acknowledge that it may still be necessary for the applicant or me to obtain the services of a professional to prepare plans and specifications for their project.
- I certify that the subject property does not have any outstanding fees, penalties, or delinquencies with federal, state or local units of government (County, City of Racine).
- I certify that the subject property is not in foreclosure, litigation, condemnation, or receivership.
- I certify that I am not in violation of any City alcohol or soda licensing requirements.
- I certify that this subject building is more than 50 years old.
- I certify that this property is not tax exempt and is up to date on property taxes.
- I acknowledge that the applicant will receive the grant reimbursement and that reimbursement will be made after improvements have been inspected and proper documentation has been provided to the City of Racine.

**Name of Property Owner:**

**Address of Subject Property:**

**Signature of Property Owner:** \_\_\_\_\_

**Date:**



# **REQUEST FOR REIMBURSEMENT**

*Use this form for requesting reimbursements for approved White Box Grants.*

## **Required Attachments to Request**

- Copy of all relevant permits (building, electrical, plumbing, health, occupancy, etc.)
- Photos of completed work
- Contractor and supplier invoices
- Lien waivers from all contractors and suppliers
- If materials and supplies purchased separately, include itemized receipts or invoices from the applicable merchants or suppliers
- If labor supplied by an independent contractor, provide a copy of the signed contract that includes the terms of employment between the laborers and the grant recipient
- If labor supplied by grant recipient's employee(s), provide:
  - Weekly time records for each employee that indicate the name of the each employee, employee contact information, social security number, days and hours worked, rate of pay, nature of work performed
  - Copy of all cancelled paychecks

## **Reimbursement Request Amount:**

## **Explanation of Reimbursement Request:**

## **Applicant Certification**

I certify that the information submitted for this application for reimbursement is true.

Applicant Signature: \_\_\_\_\_

Date: