

Upper Union BID Façade Program

Frequently Asked Questions as of May 15, 2007

General

When was this program established? How is it funded?

This program is funded by the Schenectady Metroplex Development Authority. Since 2004, the program has helped rehabilitated many landmark buildings along Upper Union Street including Northeastern Fine Jewelry, Scotti's Restaurant, Gershon's Deli and Ferri Formals.

How does the program work?

If you are a commercial tenant or own a commercial building in the Upper Union assessment area, and you want to improve the façade of your building, you can apply for assistance. You must include a \$1,000 deposit with your application which is placed in escrow towards the project.

Once your application is accepted, the program architect will consult with you to finalize plans and estimate the cost of the work. There is no cost to you to for these architectural services up to 25% of construction costs.

Once the cost estimate is developed, you will need to increase your escrow to 50% of the estimated construction cost. When the money has been escrowed, the architect will prepare bid documents and you will select a contractor from among the qualified bidders. As the work is completed, the contractor invoices the program. If both you and the architect are satisfied with the work, the program pays the contractor using 50% your money from escrow and 50% program funds.

How much of my project can be funded?

The program will provide up to 50% of the funds for the construction work. You must provide the other 50%. The program also funds 100% of the architectural services up to 25% of construction costs. You are responsible for architectural services over 25% of construction costs. Most projects are completed within the 25% limit.

How long does the process take?

It will depend on the complexity of the project. At a minimum you can anticipate two to three months between application and the work beginning. During this time you will work with the architect to finalize the scope of work, and select a contractor.

How are projects selected?

Applications are reviewed for feasibility, completeness and consistency with the program guidelines. Projects are selected from among the applications that meet these requirements on a first come, first served basis. You will be notified within 30 days of the status of your application.

Who do I contact for more information?

Anne Savage, River Street Planning & Development, 518-273-8980 x20, asavage@riverstreet.org

What other documents should I read about the program?

To fully understand the program you should review both the Program Operating Guidelines dated May 15, 2007 and the Design Guidelines adopted by the Upper Union BID. You may also want to review the City of Schenectady Sign Ordinance.

Project Guidelines

Is there a fee to apply?

There is a \$1,000 deposit. This deposit is placed in escrow towards your project.

What is the smallest/largest project that can be funded?

Typically projects fall between \$3,000 and \$60,000. (Program share \$1,500 to \$30,000.) This amount can be increased for buildings with more than one storefront or more than one façade.

Can a tenant apply for funds, or does it have to be the building owner?

Yes, a commercial tenant can apply, as long as the building owner approves.

Can you apply more than once during the year?

Yes, we expect that there may be cases where an owner has multiple buildings or multiple storefronts in one building. In these cases, the owner could apply separately.

What kind of work can be funded?

The program can fund exterior façade work only. The program typically cannot fund interior work, landscaping, exterior furniture or street/sidewalk paving projects. Typical work could include cleaning, painting, re-pointing and repairs, installing awnings or signage, replacing windows and doors, or removing siding and restoring the original facade. Exceptions to these guidelines can be made on a case by case basis.

Is there any work I will be required to do?

In order to participate in the program, the project must bring every façade of the building into compliance with the building code. This would typically require you to repair dangerous situations such as loose bricks. Every project must also bring all signs on the property into compliance with the City of Schenectady sign ordinance.

Selecting Vendors

What is the role of the façade program architect? What if I have my own architect?

The program architect will help you define the project, manage the selection of the contractor and oversee the construction. If you already have an architect, the program architect will work with your architect to ensure that your project is consistent with the design guidelines. The program cannot fund services provided by your architect.

How is the contractor selected? Can I select my own contractor?

There must be an open bidding process to determine the lowest qualified bidder. You and the architect will develop the request for bids and review the bids together. You make the final selection. The program will fund 50% of the lowest qualified bid. If the contractor you select is not the lowest qualified bidder, you will need to escrow the balance.

Other Questions and Concerns

What if the scope of work changes, can I reapply for more funds?

Yes, if the scope of work changes, you can apply for additional funding, but there is no guarantee that additional funds will be granted. In these cases, the architect will work with you and the contractor to try to find a solution that satisfies everyone.

What if the project comes in under budget, do I get my money back?

Any funds you escrowed that remain after the project is complete will be returned to you.

What if I change my mind, can I withdraw from the program, and do I get my money back?

You can withdraw at any time. If you withdraw before the project is complete, any funds you escrowed will be used to reimburse the program for architectural, administrative or construction funds spent on your project. Any remaining funds you escrowed will be returned to you. If you did not escrow sufficient funds to cover the programs expenses, the program will bill you for the balance.

Will my property be reassessed when work completed?

The answer to this question depends on the specific project. However, in general, you should not expect your assessment to go up unless the improvement increases the market value of the property, or the rent you are able to charge tenants. Typically, simple façade improvements such as signage, lighting & repairs do not trigger increases in assessment, although they could if the building is in significant disrepair before the improvement. If you are concerned, the City Assessor (382-5075), can give you a preliminary judgment about the impact on your assessment. If there is an increase in your assessment, the City has a "Business Improvement Exemption" that phases in the increase over a ten-year period (50% in the first year, 5% each year for the next ten years).

Overview of Program Steps

What are the steps that my project has to go through to participate in this program?

1. You submit an application and the \$1,000 deposit.
2. The program manager reviews the application for completeness and consistency with the Operating Guidelines.
3. The Façade Committee of the BID approves the application.
4. You sign a grant award agreement.
5. The Program Architect works with you to define the scope of work for the project and a cost estimate.
6. The Façade Committee approves the scope of work and the estimate.
7. You escrow 50% of the estimated costs.
8. The architect develops construction documents and bid packages.
9. Contractors submit bids.
10. You select a contractor from among the qualified bids.
11. The contractor completes the project and invoices the program.
12. You and the architect approve the invoice and the program pays the contractor.
13. Any funds remaining in escrow when the project is complete are returned to you.