

CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

Growth Management Department

300 Sixth Street

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MEMORANDUM

TO:

Rapid City Legal and Finance Committee

FROM:

Marcia Elkins, Director

DATE:

January 31, 2006

RE:

Match Funding for Deadwood Grant

The Rapid City Chamber of Commerce is in the process of submitting a grant application to obtain funding for a National Main Street Assessment of the Rapid City "City Center" and is requesting that the City provide \$10,000 in match. The funding is available from the consultant services line item in the Growth Management budget (#204). Copies of the grant application and information regarding the National Main Street Assessment process are attached for your review.

City staff, at the direction of Mayor Jim Shaw, has been working with representatives from the Rapid City Area Chamber of Commerce to identify ways to strengthen and enhance the City Center. As part of that effort, City staff has been in contact with Stephanie Redman of the National Main Street Center regarding the completion of a Main Street Assessment to identify the strengths and weaknesses of the City Center and evaluate strategies for strengthening the downtown area and surrounding environs. Undertaking this important first step also provides the opportunity to bring a wide variety of community, retail and business interests together to develop a joint vision for the City Center.

Staff Recommendation: Authorize expenditure of up to \$10,000 from the Growth Management budget (#204) for match funds to support the National Main Street Assessment of the Rapid City "City Center" and authorize Mayor and Finance Officer's signature on any required grant applications.





The Main Street Assessment: A Strategic Plan for Your Commercial District

The National Trust for Historic Preservation's National Main Street Center helps communities of all sizes revitalize their downtowns and neighborhood commercial districts. Our approach is comprehensive, incremental, and based on principles of self-determination and direct community participation in the revitalization process. We work with community organizations over an extended period of time to help each organization craft and implement a commercial district revitalization strategy that reflects its own vision, is achievable, long-lasting, and builds on the qualities inherent in the district's historic and traditional commercial architecture to define the district's image and strengthen community spirit and pride.

The Main Street program's success record is superlative. To date, more than 1,600 towns and cities in 44 states and Puerto Rico have taken part in the Main Street program. Cumulatively, these communities have leveraged more than \$39 in new investment for every dollar used to support the local revitalization effort. This type of reinvestment makes the Main Street program one of the most successful economic development strategies in the nation.

One of the best ways to get started in revitalizing your historic or traditional commercial district is through a Main Street Assessment. The Assessment offers your community an objective analysis of the commercial district's strengths and weaknesses, evaluates the likelihood of launching a successful revitalization effort, and provides an achievable action outline for the immediate future.

The Assessment's Objectives

The Assessment has four major objectives:

- 1. to identify some of the commercial district's major problems, opportunities and needs;
- 2. to provide community members with information about the Main Street approach to commercial district revitalization;
- 3. to recommend a realistic, achievable course of action for the short term; and
- 4. to determine whether the Main Street approach is an appropriate strategy for the district's revitalization.

How Do We Conduct the Assessment?

Each Assessment is tailored to the community's specific needs. In order to put together the most effective agenda, we'll speak with you by phone to determine how the Assessment should be structured.

To prepare for the visit, we'll ask you to provide us with some background information on your community and the status of its commercial district revitalization activities (we provide a checklist of information we'd like to review). Before the visit takes place, we'll review the materials and reports you send us, as well as reviewing Census information and other data available to us.

During the Assessment, one or two staff members from the National Main Street Center visit your community for two days. During that time, we typically tour the commercial district and the community; meet with a broad range of constituents from both the public and private sectors; conduct confidential interviews with key players; speak with local media; and hold a public presentation or wrap-up meeting to outline our observations and our recommendations for immediate action.

After the Assessment, we'll provide you with either a written report summarizing our work or with a follow-up visit, depending on what we mutually agree would be most helpful for your community.

What Do We Look for During the Assessment?

Before and during the Assessment, we examine a number of characteristics of the commercial district in order to evaluate the district's health and to determine what the best strategy for its revitalization might be. Among the things we look for — characteristics that suggest that the Main Street approach is likely to be successful in the community are:

- A cohesive core of historic and/or traditional commercial buildings: The commercial district must have a cohesive core of historic and/or traditional commercial buildings.
- Evidence of broad-based community support: A broad range of organizations and individuals from the community should be supportive of the revitalization effort.
- Support from both the public and private sectors: In order for revitalization of a traditional commercial district to succeed, it must have the support of both the public and private sectors, both of which have special skills and vantage points to bring to the revitalization process.
- Likelihood of being able to secure financial support for the revitalization effort: We have found that revitalization programs that rely on local financial resources are often more successful than those that depend on government grants or other outside sources of financial

assistance. Being able to develop an effective, volunteer-driven fund-raising strategy for the commercial district's revitalization effort is key to its success.

- Market potential: Most commercial districts have several market opportunities that have not yet been pursued. Although it isn't possible to conduct a thorough analysis of the commercial district's market potential during the Assessment, we evaluate whether the market tide seems to be running with or against the district.
- Collaborative working style, with a history of volunteerism: The Main Street approach works best when it is shaped and implemented by the community itself, involving dozens, eventually hundreds, of volunteers.
- Expressed desire for change and a willingness to take risks: The Main Street approach to commercial district revitalization is both revolutionary and evolutionary. A community unwilling to take risks will most likely continue on its present course.

It is not likely that any commercial district will be strong in all of these areas. These are strengths that are built over time, as the revitalization effort gradually improves its capacity to tackle tougher issues. During the Assessment, we'll suggest ways in which the revitalization effort can become stronger.

What Does an Assessment Cost?

A Main Street Assessment with one professional staff person costs \$9,000, plus travel expenses, lodging, meals, and incidental expenses. An Assessment with two staff members costs \$13,000, plus expenses. In larger city downtowns or urban districts, we prefer to conduct a three-day assessment, which costs \$15,000 plus travel expenses. These prices include:

- Two days on-site in your community
- Preparatory time, including time to review materials and reports from the community and to speak with community members by telephone
- Membership in the National Main Street Network
- Any Relevant training or informational materials

It also includes one of the following two follow-up options:

- \blacksquare An easy-to-use written report, summarizing our observations and recommendations and outlining the next steps, or
- A one-day follow-up visit to the community to meet with revitalization program participants, review our recommendations, and discuss the next steps.

Communities fund their Main Street Assessments in a number of ways. In some instances, the entire cost is covered by local government, either through general funds or with Community Development Block Grant monies or other special allocations. In others, the organization or

agency coordinating the Assessment raises funds from a group of 5-10 businesses, organizations and agencies interested in the downtown's economic health and revitalization. Some of the most frequent investors include:

- financial institutions and investment companies
- · local industries
- Chambers of Commerce
- industrial/economic development corporations
- city and county government
- community development corporations
- housing authorities
- regional planning agencies
- · colleges and universities

- newspapers and other news media
- · merchants' associations
- civic associations
- · community foundations
- special assessment districts
- key business and property owners and other individual contributors
- hospitals or other major institutions
- · tourism organizations

What happens after the Assessment?

During some Assessments, we might find that a community is ready to move ahead right away with a comprehensive commercial district revitalization effort. In other instances, we might find that the community isn't ready yet for an intensive effort, but that there are some important activities it can pursue in order to become ready. And, sometimes we find that a community's own efforts are quite successful as they are and the community doesn't really need much ongoing assistance.

During the Assessment, we will carefully consider the specific activities with which we believe we can best continue to assist in the district's revitalization efforts, as well as make recommendations for other sources of assistance if we do not honestly believe we are the best qualified source of assistance for particular needs.

As a national nonprofit organization, the National Trust's commitment to the nation's historic and cultural resources is permanent. When your community is ready to implement the next phases of its revitalization strategy, the National Trust's Main Street Center® stands ready to once again offer the accumulated experiences, expertise and national perspective of our professional staff and our network of collaborating consultants.

How do I get started?

Please contact Stephanie Redman at (202) 588-6219 or stephanie_redman@nthp.org if you would like to discuss the possibility of having a Main Street Assessment in your community.

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DEADWOOD HISTORIC PRESERVATION COMMISSION

GRANT/LOAN FUND SITES OUTSIDE OF DEADWOOD

Application

The Deadwood Historic Preservation Commission reviews all applications. Please read the attached Policy Guidelines and provide the requested information below.								
	Property Address: CITY CF Boulevard to East Boulevard, North Street to South Street	ENTER Rapid City		SD State	57701 Zup			
2.	Applicant Details:	·	ΓΟDΑΥ' S DA		/ 30 / 2006			
Rapid City Chamber of Commerce <u>swenson@rapidcitychamber.com</u> 605 343-1744								
Name	444 Mt. Rushmore Rd. Rapid	ytime Telephone I City, South Dak	ota 57701	E-mail Add	ress			
Street	Cit	у	State	Zip				
3.	3. Owner of Property: Multiple Owners							
(Complete 'Owner of Property' only if different from that of applicant)								
1.	Property Address							
Street	ple Locations Cit	у	State	Ziŗ	 			

2. Description of work to be performed as part of this project:

URGENT: The timing of this request places this as an emergency.

We propose to retain the National Main Street Center to provide Rapid City with a team of urban planning and historic district experts. The purpose would be to provide guidance as to a long-term vision for our City Center and the best methods to implement and direct that vision. Multiple projects are on the drawing board, such as parking garages, street reconstruction, art center expansions, holiday decorations, new building proposals all of which have an impact on the City Center.

The National Main Street Center will assist with the "big picture" urban concepts, business owner organization, funding and other matters.

This is an emergency request due to the urgent nature of planned projects, the potential immediate impact on the Historic District and the need to make some funding decisions prior to this summer's construction season.

3. Please describe the relationship of this project to the history of Deadwood.

The City of Rapid City was initially settled as a center of retail and service supplies for the Deadwood Gold Camp. The City Center boundaries identified for this planning study coincide with the original town plot boundaries established by the City's founders. The historic ties between Rapid City and Deadwood have been mutually beneficial for over a century.

4. Project budget – itemized and showing match

Description	(Le, muf)	Match	Grant/Loan	<u>Total</u>	
Historic Mai	in Street Center	\$ _10,000	\$_15,000	\$_25,000	
In Kind Serv	rices	\$ _5,000	\$	\$ 5,000	
		\$	\$	\$	
		\$	<u> </u>	\$	
		\$	\$	\$	
		\$	\$		
	Total:	\$	\$		
4.	Total Project Cost:	\$30,000	Grant/Loan Amount: \$15,000		

The following information must be presented with this application as attachments before being reviewed by the Deadwood Historic Preservation Commission (incomplete applications will not be reviewed)

- a. Floor plan(s) (when necessary)
- b. Site plan(s) (when necessary)
- c. Photographs, see attached aerial photo
- d. Copy of deed or notarized letter of authorization, see attached letter from City of Rapid City
- e. Verification of flood plain status or of flood insurance, see attached aerial photo
- f. Submission of specifications and contracts, not applicable

DEADWOOD HISTORIC PRESERVATION COMMISSION

GRANT/LOAN FUND FOR HISTORIC PROPERTIES OUTSIDE OF DEADWOOD

POLICY GUIDELINES

STATEMENT:

It is in Deadwood's interest to promote the preservation and interpretation of historic sites, buildings, and properties throughout the state when those buildings, sites and properties are related to historic preservation in Deadwood. The expense of such preservation projects may discourage owners and managers from undertaking necessary projects or may result in a lower quality of craftsmanship. The purpose of this grant/loan fund is to assist and encourage property owners and managers to restore and protect their properties and to interpret their relationship to Deadwood's history.

The City of Deadwood and the Deadwood Historic Preservation Commission reserve the right to revise grant policy or discontinue the program at any time without public notice.

OBJECTIVE:

The City of Deadwood is a National Historic Landmark and is listed on the National and South Dakota State Register of Historic Places. Maintaining these designations is critical to the economic success of the city and the quality of life of its residents. The objective of the grant program is to stimulate quality restoration, protection and interpretation of buildings, sites and properties that contribute to an understanding of the history of the City of Deadwood.

FUND DEFINITION:

The availability of funds for a project will be determined on a case-by-case basis. Initial funding for the Grant/Loan fund will be \$250,000. \$100,000 will be allocated for grants and \$150,000 will be allocated for loans for appropriate projects.

GRANTS

GRANT DEFINITION:

Grant funds will be available to any site that is not eligible for the state property tax moratorium or to any site that is a National Historic Landmark. The availability of funds for a project will be determined on a case-by-case basis. Projects typically will not exceed \$25,000 except for special circumstances. Application deadline will be January 2nd, annually, with all applications being delivered to the Deadwood Historic Preservation Office on or before 4:00 p.m., MST on January 2nd of the year for which the grant is requested.

All grant expenditures and match resources must be expended for services and/or materials used for the approved project during the project period.

EMERGENCY GRANTS:

Emergency grants are made exclusively for interim stabilization of a historical property that meets the stated grant criteria and that has been damaged due to some unforeseeable event, and typically do not exceed \$10,000.00. Applications are accepted anytime of year. It must be noted that Emergency Grant Funds will be granted only when funds are available.

MATCHING REQUIREMENTS:

Grants are awarded for no more than 75% of the total project costs, with the project sponsor providing at least 25% of the total costs of the project.

- ELIGIBLE MATCH: Cash, donated materials and labor or materials and labor provided by a third party for necessary and reasonable project costs.
- INELIGIBLE MATCH: Any costs whether cash or in-kind that is not necessary and reasonable to the completion of the project and within the grant period.

APPLICANT ELIGIBILITY:

1. Applicant must be a not-for-profit organization, and not be eligible for State Tax Moratorium **OR**

The site must be a National Historic Landmark.

LOANS

LOAN DEFINITION:

Low interest loans will be available to properties that qualify for the state property tax moratorium. The availability of funds for a project will be determined on a case-by-case basis. Loans typically will not exceed \$30,000 except for special circumstances. Loans will be repayable over ten years and the interest will be 3% less than the prime rate at the time of loan issuance. All loans will require collateral. Application deadline will be January 2nd, annually, with all applications being delivered to the Deadwood Historic Preservation Office on or before 4:00 p.m., MST on January 2nd of the year for which the loan is requested.

APPLICANT ELIGIBILITY:

1. Applicant must provide appropriate financial information and proof of ability to repay the loan.

GRANTS AND LOANS

ALLOWABLE ACTIVITIES:

- PLANNING: A broad category that includes a wide range of non-conforming projects, such as surveys, registration and designation; comprehensive and projection planning; preparation of preservation-related studies and reports; photo documented projects, etc.
- PRESERVATION: The act or process of applying measures necessary to sustain the existing form, integrity, and materials of an historic property. Work, including preliminary measures to protect and stabilize the property, generally focuses upon the ongoing maintenance and repair of historic materials and features rather than extensive replacement and new construction. New exterior additions are not within the scope of this treatment; however, the limited and sensitive upgrading of mechanical, electrical, and plumbing systems and other code-required work to make properties functional is appropriate within a preservation project.
- **REHABILITATION**: The act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural and architectural values.
- **RESTORATION**: The act or process of accurately depicting the form, features and character of a property as it appeared at a particular period of time by means of the removal of features from other periods in its history and reconstruction of missing features from the restoration period. The limited and sensitive upgrading of mechanical, electrical and plumbing systems and other code related work to make properties functional is appropriate within a restoration project.

ELIGIBILITY CRITERIA:

APPLICANT ELIGIBILITY - GRANTS AND LOANS

1. Applicant must own/retain property. Furthermore, grant recipients must agree to retain ownership of the property for a minimum of five years. Transfer of ownership or control will require repayment of the grant to the City of Deadwood.

OR

Applicant must be leasing or renting the property and have written permission from the owner to conduct the work;

OR

Applicant must have a firm written commitment with the owner to purchase the property.

- 2. Applicant must demonstrate the ability to successfully implement the project;
- 3. The applicant must provide a plan for future use of the site.

PROPERTY ELIGIBILITY:

1. The property must be a listed on the National Register of Historic Places or be a contributing building within an historic district listed on the National Register of Historic Places.

SELECTION CRITERIA:

All applicants must describe the relationship of their proposed project to historic preservation in Deadwood. Projects will not be considered for grant or loan funding unless there is a demonstrated, tangible connection to historic preservation in Deadwood or the promotion and development of historic preservation in Deadwood.

Projects will be selected based primarily on the funding priorities, but evaluation will include consideration of the following criteria (listed in no specific order):

- 1. Funding Priorities
 - a. Work required to give the building a weather proof envelope and make it structurally sound;
 - b. Work that will abate any serious threat to the structure whether from internal or external sources (i.e. hazardous wiring);
 - c. Exterior restoration;
 - d. Restoration of character-defining interior features;
 - e. Work necessary to facilitate putting the building to an appropriate use, including meeting all codes and accessibility standards;
- 2. Historical or architectural significance of the property;
- 3. Administrative and financial management capabilities of the sponsor;
- 4. Community support and interest;
- 5. Quality of application;
- 6. Prepared predevelopment material including work plans and specifications;
- 7. Evidence of future support plan/The applicant must provide a plan for future use of the building.

Project from lower priorities may be selected if extraordinary circumstances exist.

APPLICATION PROCEDURES:

Applications are available from:

Deadwood Historic Preservation Office Deadwood City Hall 108 Sherman Street Deadwood, SD 57732 Tel.: (605) 578-2082

Deadline: All applications must be delivered to the Deadwood Historic Preservation Office no later than 4:00 p.m., MST on January 2nd on the year for which the grant is requested.

SELECTION PROCESS:

All applications for grants and loans will be reviewed by a seven member committee consisting of two representatives from the Deadwood City Commission, two representatives from the Deadwood Historic Preservation Commission, the Deadwood Historic Preservation Officer and two independent appointees representing professional disciplines related to historic preservation. The Grant/Loan Committee will make funding recommendations to the Deadwood City Commission and the Deadwood Historic Preservation Commission.

APPROVAL TIME: Awards will be announced within a month of review by the two Commissions - No later than March $\mathbf{1}^{\text{st}}$ on the year for which the grant is requested.

FUNDING CONDITIONS:

- 1. Submission of a copy of the deed to the property or a letter of support from the property owner if owner is not project sponsor;
- 2. Verification of flood plain status or of flood insurance;
- 3. Signing of a covenant on the property insuring its maintenance and historic integrity;
- 4. Use of competitive procedures for procurement;
- 5. Submission of specifications and contracts to the Deadwood Historic Preservation Commission for approval before beginning work and before making any changes in the course of the work;
- 6. Erection of a sign during the project period indicating that the project was partially funded by the Deadwood Historic Preservation Commission;
- 7. Inspection and approval of work by the Deadwood Historic Preservation Office and City Building Official or local officials as selected by the City of Deadwood.
- 8. Maintenance of proper financial records and submission of documentation for reimbursement;
- 9. Submission of progress reports to the Deadwood Historic Preservation Office;
- 10. Additional photographs of existing conditions and of the completed work;
- 11. A final project report including a complete identification of the work performed, costs and resources used.

The grant recipient must submit reports as requested.