

ATTACHMENT D)

CITY OF REDWOOD CITY

HISTORIC PRESERVATION INCENTIVE PROGRAM

PURPOSE: The purpose of the Historic Preservation Incentive Program is to help owners of historic resources in Redwood City maintain this vital cultural resource. While initial funding sources may be restricted to residential properties only, the spirit of the program is intended to address commercial properties as well and includes residential properties proposed to be converted for office use as a means of preserving the structure. The Incentive Program provides two means of assistance.

- One level is to assist in the preservation of the entire structure with historical significance.
- The second level is to provide cosmetic incentive to improve the appearance of historic properties located within the historical district through providing free paint.

Historic Loan Program

Eligible Structures:

Category A. Officially designated properties. These would be automatically eligible.

Category B. Properties on the existing inventory can be considered eligible subject to further review; i.e. at-risk properties.

Category C. Properties that are not on the inventory that may be eligible for inventory. If these properties are determined to be eligible for inventory, they would be in the same category as "B."

Loan Maximum: Not to exceed \$25,000 per structure for exterior improvements only (may be adjusted by Loan Committee to provide maximum flexibility to assist historic structures occupied by low income households)

Interest Rate: 0-5%

Term: Depends on fund source – Range from 10 – 55 years

Loan to Value ratio after rehab: 80:20%

Rehabilitation Standards: Secretary of the Interior's Standards for Rehabilitation of Historical Properties

Eligible Improvements: All health and safety code items including but not limited to roof, siding, windows, doors, electrical, plumbing, heaters, termite and dry rot.

Restrictions: Maintenance Agreement for the term of the loan for properties qualifying under Category “A” of eligible structures.

Income Requirements: Depends on fund source.¹
CDBG assistance may be provided for slum and blight with no income restrictions. If rental, then 51% of units must be occupied by low income tenants with incomes at or below 80% of median Income.
RDA Housing funds requires that household income not exceed 120% of median income for San Mateo County.

- Oversight:**
1. Initial Architectural and Planning Approvals from the Planning Staff
 2. Scope of work approved by the Historic Resources Advisory Committee.
 3. Application processed by Housing Rehabilitation program staff.
 4. Loan review approval process carried out by the Home Improvement Loan Committee
 5. During construction, Building and Planning staff will conduct required inspections for conformance to Building and Historic Preservation codes.
 6. Housing Staff issues progress payments based on inspections and approval by Building & request for payment from Planning.

<p>Alternative Program Incentive # 1 Free Paint Program Materials Only</p>

This incentive assumes that a specific dollar amount would be allocated to purchase paint. An agreement with a local supplier would approve certain colors to be used, would allow a program applicant to pick up the materials with proof of approval from the City. City would then pay supplier for paint distributed each month.

Eligible Owners: Categories A, B & C
Participants would receive free paint only; they would be responsible for showing proof of contract for labor or would provide the labor themselves. All jobs must be completed within 90 days from the date free paint is provided.

Fund Source: This program will be funded by RDA Housing funds.

Maximum Gallons of Paint per residence: 25 gallons or not to exceed \$500.00 per dwelling

¹ When income requirements are applicable, boarding houses are not eligible for assistance.

Income Eligible: Applicants must have household incomes that do not exceed 120% of median Income for San Mateo County

Alternative Program Incentive # 2
Historic Preservation Incentive Program
Owner Occupied Properties

Historic Properties occupied by owners who are low income (household income below 80% and not to exceed 120% of median income) will be given preference for assistance under the existing Home Improvement Loan Program. The subject property would likely have a scope of work that includes replacing windows, exterior siding, porch rails, etc. where lead paint surfaces may be disturbed. These owners will be eligible for free Lead Based Paint Testing and possibly up to \$10,000 in grants for hazard removal. Maximum loan amounts range up to \$100,000 at 4% pending availability of funds.

Alternative Program Incentive # 3
Historic Preservation Incentive Program
Renter Occupied Properties

When Historic Properties are used to provide rental housing to low income tenants, they will be given preference for assistance under the existing Rental Rehabilitation Loan Program. The subject property would likely have a scope of work that includes replacing windows, exterior siding, porch rails, etc. where lead paint surfaces may be disturbed. Under this Option, these owners will be eligible for \$25,000 loan and free Lead Based Paint Testing and possibly up to \$10,000 in grants for hazard removal.

Restriction: At least 51% of the units must be occupied by low income households (at or below 80% of median income).