

White Box Program Guidelines

Redevelopment Authority of the City of Racine

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 White Box Program is targeted to the 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, such as plumbing, electrical, Americans with Disabilities Act, and HVAC requirements. The goals of the program is to incentivise older, first floor commercial spaces into active, code conforming “white boxes” for lease or use by retail and restaurant tenants.

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 a for 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. Properties in litigation, condemnation or receivership
3. Properties that have outstanding fees, penalties, or delinquencies with federal, state or local governments
4. Properties found to be in violation of alcohol or soda licenses or any Racine license
5. Properties not currently vacant or commercially-zoned or on arterial/trunk streets
6. Buildings less than 50 years old

Eligible expenses include:

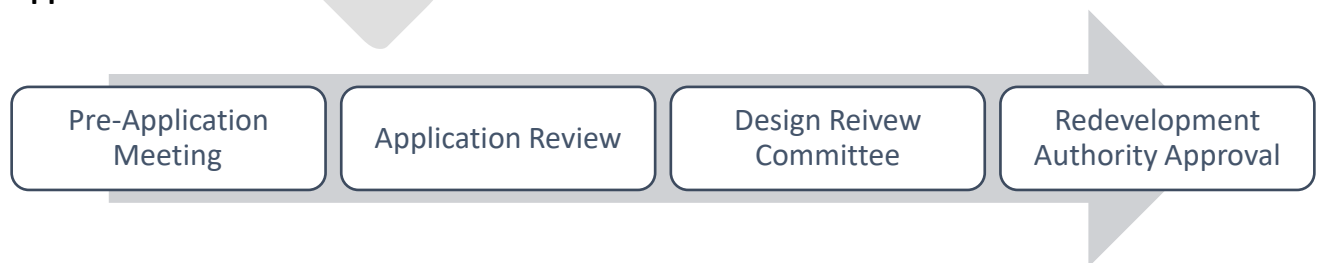
1. Interior plumbing, electrical or HVAC improvements that results in compliance with current building code
2. Repairing or replacing dry-wall, plaster walls, floors or ceilings
3. Repairing or construction of required bathrooms
4. Repairs or construction required under the Americans with Disabilities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

Ineligible costs include:

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
9. Any exterior improvements
10. Building permits, government approvals and taxes

Grant will not reimburse for labor if self-contracted. Material cost and labor costs of employees are eligible, if the number of hours works, 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 Official (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 or a lease is signed. 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 an architectural or engineering professional to prepare plans and specifications for their project.

2. **APPLICATION REVIEW:** Chief Building Official 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 twice 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?
 - Is 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

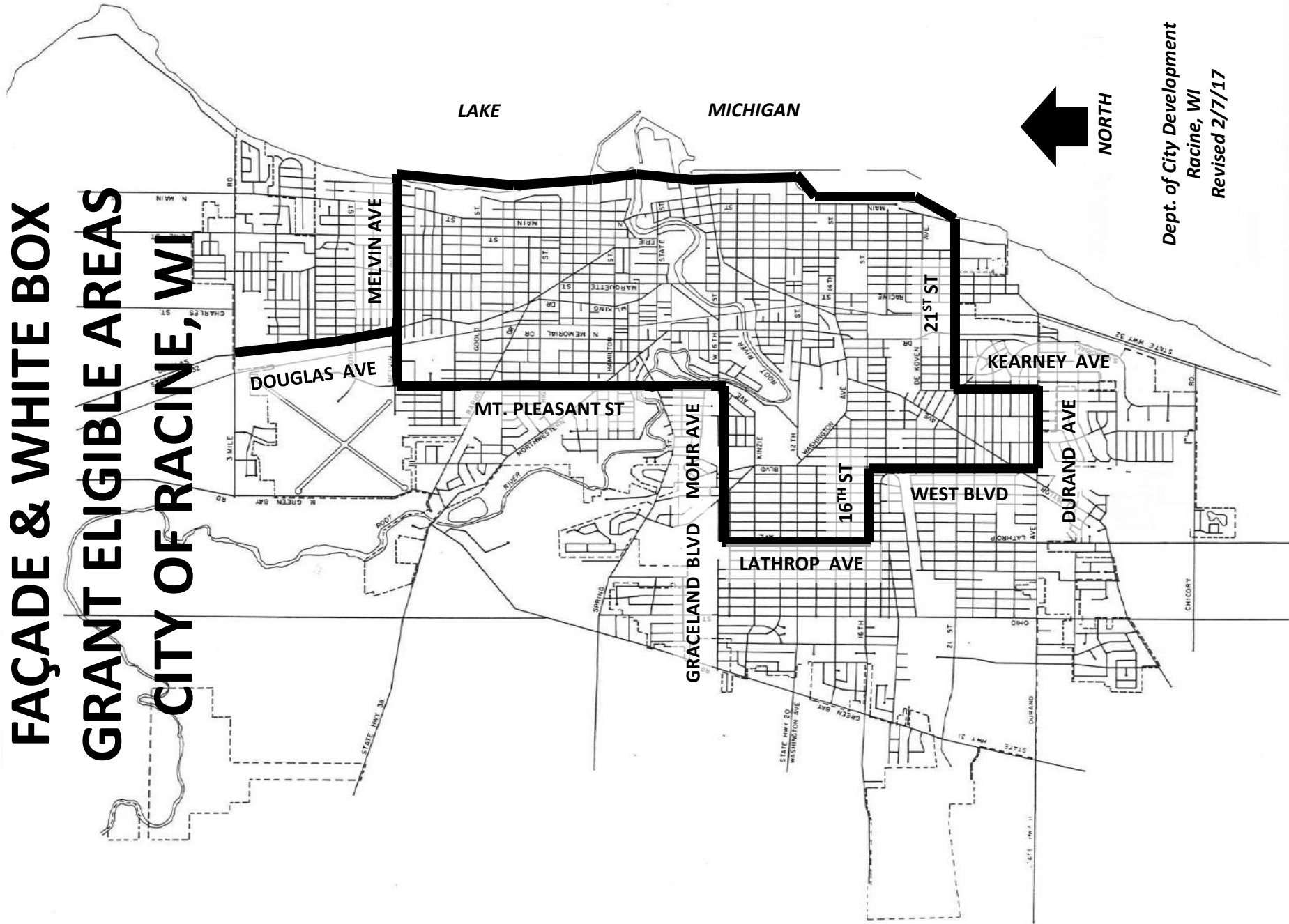
1. Reimbursement is up to \$10 per sq/ft of first floor commercial space. The total reimbursement is limited to no more than 50% of qualified eligible expenses, not to exceed a maximum of \$20,000.
2. The City of Racine reserves the right to refuse reimbursements in whole in or part for that that:
 - 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 120 days from the date of award. The City will not reserve funds and any approval not completed or significantly progressing may be cancelled. Request for extensions will be considered 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.
 - If the project takes longer than one year to complete.
 - 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 cannot be substituted for canceled checks or bank statements.
- Color photographs of completed project.

FAÇADE & WHITE BOX GRANT ELIGIBLE AREAS CITY OF RACINE, WI



Dept. of City Development
Racine, WI
Revised 2/7/17

Map 7

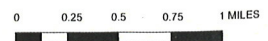
**JURISDICTIONAL HIGHWAY SYSTEM PLAN FOR THE CITY OF RACINE
RECOMMENDED IN THE YEAR 2035 REGIONAL TRANSPORTATION PLAN ^a**



ARTERIAL STREET AND HIGHWAY

- STATE TRUNK
- COUNTY TRUNK
- LOCAL TRUNK
- 4** NUMBER OF LANES
(2 WHERE UNNUMBERED)

^a THE JURISDICTIONAL CLASSIFICATION RECOMMENDATIONS IN THE YEAR 2035 REGIONAL TRANSPORTATION PLAN ARE BASED ON THE YEAR 2020 JURISDICTIONAL HIGHWAY SYSTEM PLAN FOR RACINE COUNTY.



Source: SEWRPC.