

EAST SIDE NEIGHBORHOOD DEVELOPMENT COMPANY DESTINATION PAYNE - PARKING IMPROVEMENTS PROJECT GUIDELINES

Destination Payne - Parking Improvements is a financing mechanism in the form of forgivable loans, administered by ESNDNC, to property owners who own off-street parking along the Payne Avenue corridor; to improve the physical condition of existing parking lots and facilitate shared parking. The program issues 7-year forgivable loans, with specific conditions, to owners of off-street parking lots to redevelop their lots in a unifying theme designed to reflect the character of Payne Avenue. Improvements in the design of these parking lots will facilitate better traffic flow, better parking management, increased bike racks and an enhanced experience for customers and neighboring residents.

Objectives:

- Stimulate private investment by providing incentives through forgivable loans;
- Increase destination customers and visitors by maximizing the access and use of existing parking lots;
- Create a pedestrian-friendly experience by adding landscaping, walkways, lighting and other streetscape elements;
- Develop additional bicycle parking to accommodate increased cycle traffic created by the recent installation of new bike lanes on Payne Avenue.

Use of Loan Funds:

Destination Payne will be used to help finance parking lot improvements that will include: grading, landscaping, resurfacing, re-striping, decorative fencing, lighting, paved walkways to enhance access to the main sidewalks, signage and bike racks in each lot.

Cost to Applicant:

The application fee is \$85 (\$35 for PABA Members). Once an applicant is approved for financing, the borrower will be responsible for administrative costs of up to 1% of the loan amount.

Project Selection:

ESNDNC's Finance Committee will make the final selection regarding Destination Payne applications. Selections will be based on the criteria set forth in these guidelines along with current zoning ordinances and site plan review.

Eligibility- Destination Payne target area:

Property owners who own private parking lots along the Payne Avenue corridor that are located in the target area between Whitall and Jessamine.

Funding Awards:

Awards of \$5,000 to \$25,000 will be available on a first come basis. Applicants are encouraged but not required to secure matching funds. Forgivable loans do not have to be repaid if the recipient remains in operation for at least 7 years and meets other obligations as prescribed in the guidelines and loan documents.

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Use of Forgivable Loans for Soft Costs:

Architectural fees, engineering fees, environmental studies, and surveys are eligible if the project moves forward to construction completion. No more than 15% of the construction budget will be eligible for soft costs and will only be paid as a reimbursement after the construction is fully completed and final inspections have been completed by the appropriate City of St. Paul officials.

Matching Requirement:

No minimum match is required; however, if ESNDC is faced with more requests than available resources, applicants who invest a higher percentage of private money will receive greater consideration for financing.

Project Administration and Compliance:

- ESNDC staff will administer all *Destination Payne* forgivable loans. Staff will work with the recipient during the predevelopment and construction phases, to ensure labor standards, Sustainable St. Paul and other mandates for these public resources comply.
- Applications must accompany a construction estimate developed by a contractor licensed to work in the City of St. Paul. Following approval, no less than two competitive bids from contractors are required.
- Little Davis-Bacon Labor Standards may apply to all projects that amount to \$10K or more.
- ESNDC utilizes good faith efforts to assist business owners in obtaining competitive bids from contractors. Hiring preference will be given to contractors who are certified through the City's Vendor Outreach Program (VOP).

Collateral & Term of Loan

- Forgivable loans will require mortgages on the properties as collateral.
- Properties that are being purchased through a contract for deed will require the property owner to give written consent.
- Loan period is forgiven over a 7-year period.

Application Process – Documents Required

Applications are due on the second Thursday of the month in order to be considered during the same month. Documents required at the time of the application include: (1) completed Application, (2) application fee, (4) general design and written estimate, (5) business plan (for new businesses).

**For Eligible applicants - Applications will be accepted on a “first come” basis.
ESDNC reviews applications monthly.**

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Appendix A General Design Guidelines

Destination Payne Parking Guidelines are intended to ensure that off-street parking lots are properly designed, attractive, and meet the requirements of the regulatory authorities.

Site Plans must comply with City requirements and may be required as part of an application for significant development of certain parking lots, or the significant expansion or redevelopment of an existing parking lot and must be reviewed and approved by the City of St. Paul's appropriate authorities.

No redevelopment activity shall commence on the site until ESNDP has verified that the landscape plan submitted with the application is as approved by the appropriate City authorities (if required).

Once the loan closing occurs, owners, lessees, tenants, or persons having control of the operation of improved parking lots shall not prevent or restrict authorized uses of the parking spaces per Participation Agreement.

Off-street parking areas shall be used exclusively for the temporary parking of vehicles and shall not be used for the sale, lease, display, repair, or storage of vehicles, trailers, boats, campers, mobile homes, merchandise, or equipment, or for any other use not authorized by current City zoning codes. Periodic events such as festivals, flea markets and performances are permissible with pre-approval, and only when proper licensing and permits have been issued by City and/or State authorities.

Documents Required

The following documents are required with application submission:

1. Completed Application
2. Site Plan
3. Sketch or computer generated visual depiction
4. Construction Budget
5. Application fee due at the time of submission