



LANDMARK REHABILITATION LOAN PROGRAM

Loan Guidelines

LOAN GUIDELINES

LANDMARK REHABILITATION LOAN PROGRAM PURPOSE

The goal of the loan program is to improve the quality and integrity of designated historic resources in Fort Collins. Since historic buildings represent a source of pride for the community, a high standard of rehabilitation is expected of these structures. Every project is reviewed using the U.S. Secretary of the Interior's Standards for Rehabilitation to ensure high quality and workmanship. Ordinary maintenance items, such as painting or replacement of a roof with asphalt shingles, are typically not funded through this program.

The program provides 0% interest loan funds to residential and non-residential historic properties. Loan funds are repaid to the City only through the sale or transfer of the property. Funds returned to the City are recycled back into the program, providing an ongoing source of dollars for additional projects.

ELIGIBILITY – FORT COLLINS HISTORIC LANDMARK

The property to be rehabilitated shall be designated as Fort Collins Historic Landmark or a contributing structure in the Historic Old Town District or Sheely Drive Historic District. Properties listed on the State or National Registers, or within State or National Register Districts, are not eligible unless they are also a Fort Collins Landmark. The designation process can take several months. Please contact Karen McWilliams at 970-221-6376 for more information on landmark designation.

MAXIMUM LOAN AMOUNT - \$7,500

The maximum loan amount for any project is \$7,500. There is no minimum loan amount. There is no application fee.

INTEREST – 0%

Loans are zero (0) % interest.

REPAYMENT

Loans are due to the City upon sale or transfer of the property. There is no monthly repayment. If you decide to sell your property, a title company will research any liens held on the property in order to insure the new buyer has "clear title". The title company will contact the City and request a "payoff" amount. This amount will be the same as the loan amount you received. The title company will provide a check from the proceeds of the sale of your home made payable to the City to release the lien. Once the lien is released, there is no further requirement on your part.

Transfers to immediate family members do not require repayment. There are no restrictions on the number of loan awards an applicant may receive.

CASH MATCH REQUIREMENTS

A minimum cash match of 50% of the total project cost is required. A larger cash match will improve the chances of being funded. Funds provided by other organizations, such as the State Historical Society, can be used to match the City's loan. If matching funds provided by

other organizations are not available after rehabilitation work is complete, the applicant is expected to make up the match shortfall.

ELIGIBLE STRUCTURES

Any residential or non-residential structure that has been designated a local historic landmark is eligible for no-interest loan funding. Local landmarks are buildings that have been designated for protection by the City of Fort Collins City Council. In addition, properties in a local landmark district (Historic Old Town District and Sheely Drive Historic District) are eligible. Properties must be designated before a loan can be approved (e.g., designated before March 1 of each year).

ELIGIBLE COSTS AND IMPROVEMENTS

Projects must involve the physical preservation, restoration or rehabilitation of the structure's **exterior** and must preserve the historic character of the property. Rehabilitation for the purpose of these awards means that an effort is being made not only to maintain an historic property in reasonable repair, but to improve, reclaim and restore historic architectural characteristics that are threatened or have been lost through wear, alteration, or neglect. Normal maintenance items are not eligible.

All work must be conducted in accordance with existing City of Fort Collins design standards and guidelines and the Secretary of Interior's Standards for the Treatment of Historic Properties. A copy of these standards is attached as Appendix A.

Eligible costs include hard costs associated with the physical preservation of a historic property. Labor costs are eligible if the work is to be done by someone other than the applicant/owner.

Some eligible elements include:

- cornices, soffits, trim – rehabilitation with historic materials
- doors – restoration of historic doors or replacement of non-historic doors with historic replicas
- porches – restoration or reconstruction (if consistent with historic character)
- foundations – repointing, stabilization, etc.
- gutters – installation or replacement
- chimneys - masonry such as chimney tuck pointing
- roofs - repair/replacement with approved historic materials (typically wood) including subroof and other structural elements
- siding – masonry work, stucco repair, and other siding restoration/replacement with historic materials, cleaning with sensitive methods
- steps and stairways – rehabilitation or reconstruction (if consistent with historic character)
- windows - restoration of existing windows where possible, screens, storm windows that protect and don't diminish the detract from historic windows
- storefronts – rehabilitation to historic character
- demolition of non-historic elements
- stripping of paint in order to restore a façade or repair siding

Some additional project elements are eligible under the property owner's "dollar for dollar" match **only** if they are part of a larger rehabilitation project that includes at least one of the eligible features and improvements listed above. These match elements include:

- painting
- heating
- new foundation
- plumbing
- repair of interior structural elements
- sprinkler systems in commercial structures
- wiring
- non-historic elements required by building and safety codes

INELIGIBLE COSTS AND IMPROVEMENTS

- Improvements undertaken due to normal wear and tear, including but not limited to:
 - painting (unless part of a larger rehabilitation project)
 - roof replacement with asphalt shingles
- Routine or periodic maintenance (such as cleaning, routine painting, minor repairs, general periodic upkeep, redecorating or any purely cosmetic change that is not part of an overall rehabilitation or that does not enhance the property's character).
- Soft costs and permit fees - appraisals, architectural, engineering, and interior design fees, legal, accounting and realtor fees, loan fees, sales and marketing, closing, building permit, use and inspection fees, bids, insurance, project signs and phones, temporary power, bid bonds, copying, and rent loss during construction.
- Acquisition costs.
- New additions or enlargements (except where required by building and safety codes).
- Landscaping - Excavation, grading, paving, landscaping or site work such as improvements to paths or fences unless the feature is part of the landmark designation.
- Repairs to additions made to a historic property after the property was officially designated.
- Reimbursement for owner/self labor.
- Interior improvements - drywall, non-load bearing interior walls, etc.
- Non-historical decorative elements.
- Outbuildings which are not part of the landmark designated property.
- Signs.
- Skylights.
- Solar equipment.
- Security features.

For any item not on these lists, City staff will make a determination whether or not the item is eligible for a landmark rehabilitation loan.

APPLICATION PROCESS

APPLICATION MATERIALS

An application can be obtained from www.fcgov.com/historicpreservation or by contacting us (see below). Submittals via email are preferred.

APPLICATION DEADLINES

A minimum of one application review process will occur each year.

The first process will occur between January and March. Applications for this process are due the third Tuesday of January. Applications must be postmarked on or before the deadline or hand-delivered by 5:00 p.m. on that date.

Depending on the availability of additional loan funding, a second review process may occur in the fall.

Incomplete applications will not be accepted.

PROJECT PROCESS

1. Pre-application submittal conference with City staff (prior to application submittal). This required meeting should occur a minimum of one week before the submittal deadline.
2. Landmark Preservation Commission (LPC) review. The LPC holds one or two hearings in February (second or fourth Wednesday) to review the design of projects and decide which projects will receive funding. The applicant or his/her representative is required to attend the meeting at which their project is being discussed. Scoring criteria is used to evaluate and rank projects for funding. The criteria are attached as Appendix B.

Depending on the demand for loans, the selection process can be very competitive and not all projects will receive funding. In certain instances, funded projects may receive less than the amount requested.
3. Notification. You will receive official written notification on or before March 1 of the loan award amount for the winter funding cycle. Work may begin after award notification and receipt of proper building permits.
4. Project progress deadline (six months). Projects must begin six months after LPC approval. Projects that do not meet this timeframe will automatically lose the funding award.
5. Project completion deadline (end of first year). Projects must be complete within one year of the LPC approval. In certain cases, a one-year extension can be granted.
6. Project inspection. After the project is fully complete, you need to contact City staff to schedule an inspection. Invoices for all work elements are also due at project completion.

7. Disbursement of funds. The legal owners of the property are required to sign a Promissory Note and a Deed of Trust to secure the loan funding. The Deed of Trust is recorded with Larimer County and the original documents are kept by the City until the debt is satisfied. There is a small fee associated with the filing (typically \$16 to cover the county recording fees). The City will then mail a check to the owner of the property. This check can take up to four weeks to be processed and mailed out.

NOTE ON PROJECT COSTS

Loans are provided as a reimbursement for approved work. In planning your project, you should arrange to have adequate funds on hand to pay the final costs of the project if required by your contractor.

It is important to obtain accurate estimates of the cost of the project before submitting an application to ensure that the final cost will be close to the estimate. This will help ensure that you receive the full loan award amount and that your matching costs do not exceed your budget.

Acceptance of a loan award means that you are committing to fully completing the project identified in your application. If unexpected circumstances occur that prevent you from completing all of the work specified in the application or if the project is less costly than anticipated, then the loan amount may be reduced. The amount of reduction corresponds to the ratio of loan funds to match funds. For example, if you were awarded \$2,500 for a \$5,000 project, but your expenses actually totaled \$4,000, then the maximum loan amount you may receive is \$2,000. The reason for this policy is to ensure that loans do not comprise more than 50% of the project cost and that applicants carry through on their commitment to complete the project.

STAFF CONTACTS

Timothy Wilder, Senior City Planner and Loan Administrator
Karen McWilliams, Historic Preservation Planner

Office: 281 N. College Avenue (Maple and N. College), Fort Collins
Phone: (970) 221-6376
Fax: (970) 224-6111
Email: advanceplanning@fcgov.com
Website: www.fcgov.com/historicpreservation/

Please submit all applications to:

twilder@fcgov.com

Advance Planning Department
City of Fort Collins
P.O. Box 580
Fort Collins, Colorado 80522

ELIGIBILITY CHECKLIST

- My property is a local historic landmark or within a local landmark district (Old Town or Sheely Drive).
- I am planning to **rehabilitate** my property. For the purposes of the loan, rehabilitation means that an effort is being made not only to maintain an historic property in reasonable repair, but to improve, reclaim and restore historic architectural characteristics that are threatened or have been lost through wear, alteration or neglect.
- The work I'm planning primarily involves the **exterior** of my structure, e.g., windows, doors, porch, siding, roof, steps, or foundation work. Certain types of interior work is allowed as part of the cash match.
- I am seeking no more than \$7,500 in loan funding.
- I have secured at least 50% of the total eligible project cost to be used as a match to the loan.
- I can begin work on my project in six months, and complete my project within a year.

APPENDIX A

THE SECRETARY OF THE INTERIOR'S STANDARDS FOR THE TREATMENT OF HISTORIC PROPERTIES

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces and spatial relationships.
2. The historic character of a property shall be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

APPENDIX B

SCORING CRITERIA

This sheet contains criteria and scoring for the ranking of Landmark Rehabilitation Loan Program applications. Point assignments are made based on how well an application addresses the adopted criteria. An application's point total will be compared to other applications' point totals to help determine a ranking of proposals. No minimum amount of points is necessary for funding and no set amount of points guarantees funding. However, applications which have a higher point total are more likely to receive funding than those with lower totals. In addition, because the loan program is a competitive process, rankings may not reflect final funding recommendations made by the Landmark Preservation Commission.

Points **Criteria**

(1 - 10) **1. Foster Rehabilitation of Resource**

Guideline: Applicants will be judged on how strong the effort to return resource to its historic appearance and how well proper and professional preservation techniques will be applied.

(1 - 10) **2. Demonstrate Preservation Necessity or Threat**

Guideline: A project that demonstrates a strong need for funding because of an existing or future action or condition that may adversely affect or alter the existing special architectural or historic interest in the property will receive extra consideration for funding. The degree of threat will be based upon the negative effects of an existing or future action or condition that may diminish the integrity of the property's location, design, setting, materials, workmanship, feeling or association.

- Have alterations significantly diminished the structure's appearance?
- Does the structure need any significant repair due to neglect?
- Are there adverse physical, visual, audible or atmospheric conditions that would adversely affect the structure or its setting?
- Would adopted and approved plans, policies, regulations or programs significantly diminish the livability, economic viability, or integrity of the structure?
- Would other conditions or threats that are special or particular to the structure significantly affect the character of the structure or its setting?

(1 - 3) **3. Demonstrate Resource Significance**

Guideline: Proposals to rehabilitate structures with high resource significance will be given greater weight over those proposals with lower resource value.

- The resource proposed to be rehabilitated is of minor significance and/or a contributing building in an historic district.
- The resource is eligible for or listed as an individual designation and has moderate integrity.
- The resource is listed on the National Register and is exceptional; one-of-a-kind design features with high integrity.

(1 - 3) **4. Amount of Leveraged Funds**

Guideline: Applications will be judged on the level of matching funds committed to the project.

- 100% - 200% match
- 201% - 300% match
- 301+ match