

## COMMERCIAL REHABILITATION PROGRAM

The start of economic recovery often begins with the revitalization of an existing commercial area. Often, improvements to a single building or storefront such as the removal of dated (non-historic) materials, repairs, or even a new paint job or sign can call attention to the building's original architectural character and signal positive change that can stimulate similar improvements throughout the community.

While the process sometimes is initiated by property or business owners, it is naturally accelerated when a city creates a façade improvement program. As a result, such programs are frequently the catalyst among many actions that lead to downtown revitalization and sustained economic development.

### WHY?

It is our responsibility! We have a vested interest in civic improvement. Façade improvement is the first step in an overall push for revitalization. The City of Hawthorne's façade improvement program is envisioned as an incentive program created to encourage property owners and businesses to improve the exterior appearance of their buildings which will have a positive impact in the City and create a virtuous cycle of economic growth.

Aside from our civic duty; façade improvement programs produce many tangible benefits including [strengthening locally owned businesses](#), which helps keep dollars in the local economy.

The City's focus is eliminating blight and activating the pedestrian realm all to ensure the highest quality of life for our residents. In doing so we will

also retain businesses and help to expand our local businesses, which will help the local tax base. For our program to be successful, the focus will be commercial corridors that are the life blood of the City and gateways of our City that will set us apart from our neighbors and leave a lasting positive impression on visitors.

Research shows that successful façade improvement programs have led to:

- [An increase in sales](#) immediately after the improvements were made,
- [Sales improvements](#) that were sustained for several years,
- [Increases in local tax revenue](#), Improvements to other businesses or storefronts,
- [Attraction of new businesses and shoppers](#) to the target area, and
- [Participants often being motivated to make additional improvements](#) (such as to interior spaces or product lines).

### FUNDING

Community Development Block Grant (CDBG) funds in the amount of \$1,291,093 in the form of a grant is how the program will be initially funded. However, a matching grant or loan, a tax incentive, and design assistance are options for applicants that may not qualify for a grant.

Other funding sources include application fees and potential income generated by façade improvement loans. These are options that are sometimes used to keep funding available and circulating in the target area.

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### WHAT IS COVERED?

#### BUILDINGS

Commercial and industrial properties are eligible, but where such property is owned by a for-profit, rehabilitation under this category is limited to exterior improvements of the building and the correction of any code violations.

The conversion of a closed building from one use to another (e.g., the renovation of a closed office building to retail use) is also covered.

#### REHABILITATION SERVICES

Staff costs and related expenses required for outreach efforts for marketing the program, rehabilitation counseling, screening potential applicant households and structures, energy auditing, preparing work specifications, loan underwriting and processing, inspections, and other services related to assisting owners, tenants, contractors, and other entities who are participating or seeking to participate in rehabilitation activities are eligible under this category.

#### COSTS

Costs of labor, materials, supplies and other expenses required for the rehabilitation of property, including repair or replacement of principal fixtures and components of existing structures (e.g., the heating system).

### CONTACT INFORMATION

For more information on the Commercial Rehabilitation / Façade Improvement Program, please contact the City's Community Development or Housing Department at 310-349-2970 and 310-349-1600.

