

HONDO ECONOMIC DEVELOPMENT CORPORATION

Façade Improvement Grant Program

Commercial Revitalization Program — Program Guidelines, Eligibility Criteria & Application Procedures

1. Program Purpose

The Hondo Façade Improvement Grant Program provides technical and financial assistance to property and business owners seeking to renovate or restore the exterior facades of commercial buildings within Hondo's Central Business District or Commercial Zoning. The program is designed to have a positive impact on properties in need of revitalization, improving the overall appearance and aesthetics of commercial buildings and storefronts throughout these districts. The program is reimbursement-based and is not intended to subsidize improvements required solely to correct building code violations.

2. Program Authority

On August 26, 2024, the City of Hondo adopted Ordinance No. 1293-08-24, approving the 2024–2025 Budget, which included approval of the Hondo Façade Improvement Grant Project. The program is funded by the Hondo Economic Development Corporation (“Hondo EDC”) and administered in coordination with the City of Hondo Development Services Department.

- Program Office: Hondo Economic Development Corporation, 700 Vandenberg, Hondo, Texas 78861, (830) 741-8319.
- Application intake, on-site review, and code-compliance inspections are coordinated through City of Hondo Development Services, City Hall, 1600 Ave M, Hondo, TX 78861.
- Grant reimbursements are issued by Hondo EDC upon satisfactory project completion and Development Services' final inspection sign-off.

3. Definitions

Applicant: The property owner or authorized agent signing the application for a Façade Improvement Grant.

Central Business District: The area identified as the Central Business District in Attachment A to these guidelines.

Commercial Zoning: The area identified as Commercial in Attachment A to these guidelines.

Construction Costs: The cost of construction materials and installation labor. All other associated costs are excluded, including but not limited to design, construction document preparation, bidding, sweat equity, and construction financing.

Eligible Improvements: The improvements identified as eligible in Section 5.2 of these guidelines.

Façade: The portion of the building parallel to the primary right-of-way, as determined by Development Services.

Notice to Proceed: Written notice from Development Services authorizing the applicant to begin construction.

Property: The physical lot and/or building to which improvements are being made.

4. Grant Structure

Term	Program Detail
Grant type	Reimbursable, 50% matching grant
Maximum award	\$10,000 per application, not to exceed 50% of total eligible construction costs
Disbursement method	Single-payment reimbursement upon satisfactory project completion, final inspection, and submission of all paid invoices
Eligible area	Commercial buildings and storefronts within the Central Business District or Commercial Zoning (see Attachment A), visible to the public
Funding source	Hondo Economic Development Corporation, as budgeted annually by the Board
Award frequency	No more than \$10,000 per property within any one (1) year period; no repeat award on the same property within one (1) year of a prior grant
Required agreement	Signed Applicant Agreement & Certification, executed prior to issuance of a Notice to Proceed (see Section 10)

Note: Architectural design fees may not be included in the total cost of eligible improvements used to calculate the grant match. No grants will be awarded for previously performed work.

5. Eligibility Criteria

5.1 Applicant & Property Eligibility

To participate in the Façade Improvement Grant Program, applicants must meet all of the following:

1. Be the owner of a building located within the Central Business District or Commercial Zoning within the City of Hondo (or an authorized agent/tenant with the property owner's written consent).
2. Be current on all municipal taxes at the time of application.
3. Have no City liens filed against any property owned by the applicant, including but not limited to code enforcement liens or tax liens or litigation against the City or Hondo EDC, or default under a prior agreement with the City or Hondo EDC.
4. Comply with all state and local laws and regulations pertaining to licensing, permits, building codes, and zoning requirements.
5. Understand that the program's objective is to improve the exterior appearance, visibility, and presentation of a property; the City retains discretion to decline an application and suggest enhancements that may improve the chances of future approval.
6. Confirm the building proposed for grant funding is not new construction. Historic buildings are given priority when grant funding is allocated (see Section 9).

5.2 Eligible Façade Improvements

- Restoration of architectural details in historically contributing or historically significant buildings, and removal of elements covering architectural details
- Window replacement and window framing visible from the street, appropriately scaled to the building
- New signage, including monument, wall, and awning signage, compliant with the Universal Development Code
- Lighting that illuminates signage, storefront window displays, and recessed areas of the façade
- Awnings or canopies
- Curbing, irrigation, approved landscaping, or other landscaping features attached to the building where appropriate

- Cleaning, painting, or re-siding of the building
- Resurfacing and/or re-stripping of parking lots visible from the street
- New storefront construction, appropriately scaled within an existing building
- Other items not listed above that would improve the building façade, subject to Development Services approval

5.3 Ineligible Improvements & Expenses

- Exterior improvements on the sides or rear of a building not visible from a public right-of-way
- Interior improvements
- Roofing
- Playground or recreational equipment
- Structural changes
- Security alarm systems or burglar bars
- “Sweat equity” (self-performed labor)
- Furniture
- Architectural or other professional fees
- Asbestos testing, removal, abatement, or remediation
- Improvements for which insurance funds are received
- Prior improvements: alterations and improvements made before receiving a Notice to Proceed are not eligible for reimbursement

6. Design Principles & Review Standards

Improvements funded by the program must be compatible with the character and architecture of the individual building and meet City standards for current construction and design practices. Buildings with historically significant architectural qualities are strongly encouraged to restore and maintain those features. For buildings without such features, improvements should be considered an opportunity to substantially enhance the appearance of the building and its surrounding streetscape. The Secretary of the Interior's Standards for the Treatment of Historic Properties should be used as a guide for work on historically significant structures.

Development Services will review all proposed work using criteria that may include, but are not limited to: compatibility, architectural design, and consistency with other façade improvement projects within the immediate area.

7. Application & Award Process

7. Applicants are encouraged to meet with Development Services before applying. The applicant submits a completed application, along with all required attachments and supporting materials, to Development Services staff for processing.
8. Development Services holds an on-site meeting with the applicant at the subject property to review the application and discuss the project.
9. As a condition of applying, the applicant consents to allow the City of Hondo to inspect the property to confirm that, if awarded, grant funds will not be used for construction on any building not in compliance with City of Hondo building codes and related ordinances applicable to the proposed construction.
10. Development Services reviews the application and either approves or denies it, applying the design review standards in Section 6 along with compatibility, architectural design, and consistency with nearby façade projects.
11. If denied, the applicant may not reapply for the same project for one (1) year from the date of the original application, but may appeal the denial to the City Manager within fourteen (14) days of the denial.
12. Upon approval, the applicant signs the Applicant Agreement & Certification (Section 10).
13. Upon execution of the agreement, the City issues a written Notice to Proceed and/or Permit. Any work completed before receiving the Notice to Proceed and/or Permit will not be reimbursed.

14. The applicant has thirty (30) days from the date of the Notice to Proceed and/or Permit to begin construction of approved improvements, and must provide Development Services with copies of all building permits and certifications associated with the project.
 15. The contractor constructs the approved improvements as specified in the approved application. Any changes to approved designs or construction plans must be reviewed and approved by Development Services before proceeding.
 16. Upon completion, the applicant notifies Development Services within thirty (30) days that the project is complete. City staff then conduct all necessary inspections to confirm compliance with the approved application and applicable building and zoning codes.
 17. Once the project is satisfactorily completed and reviewed, the applicant provides Development Services with copies of all paid invoices for a single-payment reimbursement of the approved grant amount.
- Projects must be completed within six (6) months of receiving the Notice to Proceed unless an extension is granted.

8. Award Limits & Reapplication

- Maximum award: \$10,000 per application, not to exceed 50% of total eligible construction costs.
- No applicant, applicant agent, representative, or tenant is entitled to receive grant approval on the same property if requested within one (1) year of the date a previous grant was awarded on that property.
- No more than \$10,000 per property will be awarded within any one (1) year period.
- Applications denied by Development Services may not be resubmitted for the same project for one (1) year from the date of the original application (subject to the appeal right in Section 7.5).

9. Priority Considerations

While all eligible applications will be considered, historic buildings are given priority when the City and Hondo EDC decide grant funding allocation. Development Services may also weigh compatibility, architectural design, and consistency with other façade improvement projects within the immediate area when reviewing competing applications.

10. Applicant Agreement, Certification & Indemnification

Before a Notice to Proceed is issued, the applicant must sign an Applicant Agreement & Certification affirming the following:

- The applicant has read and fully understands these Façade Improvement Grant Program Policies and Procedures.
- Any false or misleading information provided during the application process may result in program ineligibility.
- Any deviation from the requirements set forth in the agreement may result in ineligibility for reimbursement.
- The applicant agrees to start the project within thirty (30) days of receiving the Notice to Proceed/Permit.
- The applicant agrees to complete the project within six (6) months of receiving the Notice to Proceed.
- The applicant agrees to submit all receipts of expenditures for the work specified in the application within thirty (30) days of project completion.
- The applicant agrees to indemnify and hold harmless the City of Hondo/Hondo Economic Development Corporation and its employees, directors, officials, and other duly authorized agents from any and all claims and liabilities arising out of or connected to participation in this program and the ensuing façade improvement work, including personal injuries, property damage, or business interruption affecting the participant, tenants, or neighbors. This indemnification extends to the participant's employees, authorized agents, and successors.

The applicant further certifies, to the best of their knowledge and belief, that the information provided in the application and all attachments is true, complete, and accurately describes the proposed project, and agrees to promptly inform the City of Hondo of any changes to the proposed project.

11. Compliance & Termination

The City of Hondo/Hondo Economic Development Corporation reserves the right to terminate any agreement under this program if a participant is found to be in violation of any condition set forth in these guidelines or the Façade Improvement Grant Agreement. Grant funds are disbursed only after Development Services confirms the completed work matches the approved application and complies with all applicable building and zoning codes; deviation from the approved project may result in total or partial withdrawal of grant funding.

12. Required Application Documentation Checklist

- Completed Façade Improvement Grant Program Application
- Proof of ownership (warranty deed) or proof of legal occupancy (such as a lease)
- Notarized statement from the property owner authorizing participation (required if the applicant is a business owner who is not the property owner)
- Driver's license
- Proof of insurance on the property
- Proof of property tax payment
- Color photographs of the existing structure
- Proposed scope of work, including: a one (1) page narrative describing the proposed work/modifications in detail; a printed or digital set of architectural drawings; product information; color samples; and any other material helpful to understanding the project
- Contractor proposal(s) and total amount, with original proposals attached
- Signed Applicant Agreement & Certification (executed after approval, prior to Notice to Proceed)
- Copies of all paid invoices (submitted after project completion, for reimbursement)

See Attachment A for the map defining the Central Business District and Commercial Zoning boundaries referenced throughout these guidelines.

ATTACHMENT A — CITY OF HONDO ZONING MAP

Central Business District (CBD) and Commercial (C) zoning designations shown below define the areas eligible for the Façade Improvement Grant Program. Map adopted 03/25/2019.

