



**CITY OF SHAWNEE**  
POLICY STATEMENT

SUBJECT	POLICY NO.	EFFECTIVE DATE	REVISION DATE	PAGE
Downtown Improvement Program	PS-47	10/27/2003	11/23/2015	1 of 12

**BACKGROUND**

In February 2002, the City Council authorized a study of the downtown area. The report generated through that project included many recommendations, and culminated in the appointment of the Shawnee Downtown Partnership (SDP) in late 2002. Since the establishment of the SDP, numerous efforts have been made toward enhancing the viability of the Shawnee Downtown area. Beautification efforts and establishing more visual continuity in the downtown area, especially as it relates to buildings, has been a priority of the SDP. At their October 9, 2003 meeting, the SDP voted unanimously to recommend that the Council establish a grant program and a loan buy-down program to provide additional encouragement to business and property owners to improve the appearance of their buildings. In 2006, the SDP recommended the loan program be extended to include a business loan incentive program designed to help existing businesses expanding or new businesses locating downtown.

**PURPOSE**

Maintaining a positive image is important to the City. The appearance of the downtown area plays a vital role in the perception of the quality of the community. The City wants to encourage businesses to invest in their buildings by making attractive improvements on building exteriors. The improved appearance of buildings will make downtown more attractive to customers and to new businesses, contributing to the enhanced viability of the entire area, and to the entire community.

**POLICY**

- A. Downtown Improvement Grant Program
  - 1. Basic Program Elements
    - a. A grant will be awarded as a reimbursement for actual costs for architectural services and/or construction costs or materials for exterior remodeling or new construction.
    - b. Grants are available in increments of \$2,000 and \$5,000 based on the criteria set out below.
    - c. Funding for the Grant Program will be provided from the City's General Fund, from monies allocated for the Shawnee Downtown Partnership.
    - d. Each building/property will be eligible to receive one grant every five years throughout the life of the program.
    - e. Continuation of the program will be considered by the Shawnee Governing Body on an annual basis.
  - 2. Grants in the Amount of \$5,000
    - a. Five \$5,000 grants are available annually for buildings/properties in the Pedestrian Zones, Phases 1 or 2 and the South Nieman Road District (see Attachment A). In order to be eligible for the \$5,000 grant:

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- (1) The application for the grant must be submitted to the Planning Department between January 1<sup>st</sup> and January 15<sup>th</sup> during each calendar year. This time period for applications shall be exclusively for property owners who have not previously been approved for a grant that was not utilized. In the event there are more than five applications submitted during that time period, a random drawing of five will be conducted by the Chairperson of the Shawnee Downtown Partnership. In the event less than five applications are received by January 15<sup>th</sup>, applications will be considered on a first-come first-serve basis thereafter up to a total of five during any calendar year, including property owners who have previously been approved for a grant that was not utilized.
  - (2) The total cost of the improvements must equal or exceed \$10,000.
  - (3) The building/property must be commercially zoned and/or used for commercial purposes.
  - (4) Based on the scope and type of improvement, a building permit may be required. Planning staff may be able to administratively approve the improvement, or it might require Planning Commission approval. All required permits and approvals must be granted prior to the commencement of work.
  - (5) Any exterior remodel in the Pedestrian Zones, Phases 1 or 2, must conform to Downtown Design Guidelines or be a restoration to original design as determined by Planning Department staff.
  - (6) Eligible items do not include general on-going maintenance of a structure. Items that are eligible include but are not limited to facade renovation projects such as: window/door repair or replacement, masonry, awnings, signage, exterior lighting, and painting. Non-facade improvements such as landscaping and fencing (fencing should include landscaping where space allows) are eligible, as well as overlays or total reconstruction of parking lots. General crack sealing, spot patching, or oil covering of parking lots is not eligible. New construction is also eligible.
  - (7) If a building permit is required, the applicant must obtain a building permit no later than June 1<sup>st</sup>. Work must be commenced by August 1<sup>st</sup>, and the project must be completed prior to the expiration of the original building permit. If any of these requirements are not met by the indicated date, the applicant forfeits the grant.
3. Grants in the Amount of \$2,000
- a. Grants in the amount of \$2,000 are available throughout the calendar year. In order to be eligible for a \$2,000 grant:
    - (1) The total cost of the improvements must equal or exceed \$5,000.
    - (2) The building or property must be commercially zoned or used for commercial purposes.
    - (3) The building or property must be located in the Downtown Improvement Incentive Program Area (Attachment B).

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- (4) All required permits and approvals must be granted prior to the commencement of work. Based on the scope and type of improvement, a building permit may be required. Planning staff may be able to administratively approve the improvement, or it might require Planning Commission approval.
- (5) Any exterior remodel in the Pedestrian Zones, Phases I and II (Attachment A) must conform to Downtown Design Guidelines or be a restoration to original design as determined by Planning Department staff. All improvements outside the Pedestrian Zone must be approved by the Planning Commission.
- (6) Eligible items do not include general ongoing maintenance of a structure. Items that are eligible include, but are not limited to, facade renovation projects such as: window/door repair or replacement, masonry, awnings, signage, exterior lighting, and painting. Non-facade improvements such as landscaping and fencing (fencing should include landscaping where space allows) are eligible, as well as overlays or total reconstruction of parking lots. General crack sealing, spot patching, or oil covering of parking lots is not eligible. New construction is also eligible.

4. Application Process

- a. Applications are available in the Planning Department at Shawnee City Hall, 11110 Johnson Drive, Shawnee, KS 66203.
- b. The completed application should be submitted to the Planning Department prior to commencement of the work.
- c. Applications must include a description of the renovation, remodeling or new construction plans.

5. Receiving the Grant

- a. Upon completion of the project, the applicant must submit receipts to the Planning Department totaling in excess of the amount required for the grant awarded (\$5,000 for the \$2,000 grant; \$10,000 for the \$5,000 grant).
- b. Upon submittal of adequate receipts, the City will issue a check to the applicant for the amount of the grant awarded, in accordance with the City's normal accounts payable schedule.

B. Downtown Improvement Loan Program

1. Basic Program Elements

- a. Residential and commercial property owners may receive loans for between \$5,000 and \$50,000 through a local participating bank for the renovation and updating of facades and other exterior building improvements.
- b. The Downtown Improvement Loan interest rate will be 1.5% below the quoted rate normally offered by the lending institution.
- c. The City will pay the 1.5% difference between the quoted rate normally offered by the lending institution and the Downtown Improvement Loan rate. Funding for the

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program will be provided from the City's General Fund, from monies allocated for the Shawnee Downtown Partnership.

- d. The loan period will be five, ten or twenty years. The City will pay the 1.5% difference for the first five years of any loan.
- e. Continuation of the program will be considered by the Shawnee Governing Body on an annual basis.

2. Eligibility Requirements

- a. Commercial or residential buildings or property are eligible.
- b. The building or property must be located in the Downtown Improvement Incentive Area (Attachment B).
- c. Eligible improvements include, but are not limited to: façade restoration, window/door repair or replacement, masonry, awnings, signage, exterior lighting, painting, building additions, new roof and landscaping.
- d. Any exterior remodel for a commercial building in the Pedestrian Zones, Phases I and II (Attachment A), must conform to Downtown Design Guidelines or be a restoration to original design as determined by Planning Department staff. All improvements outside the Pedestrian Zone must be pre-approved by the Planning Commission.

3. Application Process

- a. Applications are available in the Planning Department at Shawnee City Hall, 11110 Johnson Drive, Shawnee, KS 66203, and at any of the participating banks.
- b. Completed applications should be submitted to one of the participating banks. The City will maintain a list of participating banks.
- c. If requested by the applicant, any declined loan decisions will be reviewed by all of the participating banks.

4. Receiving the Loan

- a. The loan will be approved according to the credit standards of the selected bank.
- b. At the time a loan is approved, the bank will invoice the City for the total five-year buy-down amount.
- c. Annually, banks will submit a report to the City outlining all outstanding loans provided by the bank through the Downtown Improvement Loan Program.

C. Downtown Business Incentive Program

1. Basic Program Elements

- a. New businesses or existing businesses expanding their square footage by at least 25% may receive loans for between \$5,000 and \$50,000 through a local participating bank for costs associated with opening the new business or expanding the current business. Any loan over the amount of \$25,000 will need the approval of the Shawnee Downtown Partnership. This will be achieved by a majority vote of the board.

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- b. The Downtown Improvement Loan interest rate will be 1.5% below the quoted rate normally offered by the lending institution.
- c. The City will pay the 1.5% difference between the quoted rate and the Downtown Improvement Loan rate. Funding for the program will be provided from the City's General Fund, from monies allocated for the Shawnee Downtown Partnership.
- d. The City will pay the 1.5% difference for the first five years of any loan;  
or
- e. A new or existing business undertaking permanent tenant finish improvements, not including inventory or removable and/or non-permanent equipment, with a dollar value of at least \$5,000.00, may apply for a grant not to exceed \$2,500.00 as a reimbursement for such improvements. The grant is payable to the business owner upon completion of the improvements and once the business has opened to the public.
- f. A business choosing the grant option is eligible for participation in this program once every five years.
- g. Use of this grant by the business owner does not preclude participation of the property owner in the Downtown Improvement Grant Program for eligible exterior improvements.
- h. Continuation of the program will be considered by the Shawnee Governing Body on an annual basis.

2. Eligibility Requirements

- a. New Pedestrian Zone Phase 1 and 2
  - (1) The business must be located in the Pedestrian Zone Phase 1 or 2 (Attachment A).
  - (2) The business must fall within Hyett Palma's list of appropriate businesses for the Pedestrian Zone (see the Hyett Palma study page 72 to 74).
  - (3) Offices uses must be located on upper floors (second floor or above) to qualify.
  - (4) The business cannot relocate from outside the KNRA district unless it is expanding as outlined in section 1A. However, a business located outside the district may qualify by opening a second location within the district.
- b. South Nieman Road District
  - (1) The business must be located in the South Nieman Road District (Attachment A).
  - (2) The business must fall within Hyett Palma's list of appropriate businesses for the South Nieman Road District (see the Hyett Palma study page 75 to 77).
  - (3) The business cannot relocate from outside the KNRA district unless it is expanding as outlined in section 1A. However, a business located outside the district may qualify by opening a second location within the district.
- c. Shawnee Mission Parkway District

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- (1) The business must be located in the Shawnee Mission Parkway District (Attachment A).
  - (2) The business must fall within Hyett Palma's list of appropriate businesses for the Shawnee Mission Parkway District (see the Hyett Palma study page 78).
  - (3) The business cannot relocate from outside the KNRA district unless it is expanding as outlined in section 1A. However, a business located outside the district may qualify by opening a second location within the district.
  - d. Areas outside of these listed districts must meet the criteria of the Pedestrian Zones as outlined in Section B1.
  - e. No more than five Downtown Business Incentive Program grants or loans will be available each year. However, in the event that any of the five Downtown Improvement Grants in the amount of \$5,000 are not requested, or businesses requesting the grants have not performed the work within eight months of their application, the Downtown Partnership may approve up to two additional Downtown Business Incentive loan or grants, and reduce the total number of available Downtown Improvement Grants. Monies provided will be evaluated on a year by year basis.
  - f. If a business meets the spirit of this policy statement but is not listed within Hyett Palma, the Shawnee Downtown Partnership may review the case and award the business a loan by-down at its discretion.
3. Application Process
- a. Loan Option
    - (1) Applications are available at any of the participating banks.
    - (2) Completed applications shall be submitted to one of the participating banks. The City will maintain a list of participating banks.
    - (3) If requested by the applicant, any declined loan decisions will be reviewed by all of the participating banks.
    - (4) Lending institutions are asked to evaluate applicant's ability to succeed and to use public funds in an appropriate manner.
  - b. Grant Option
    - (1) Applications are available in the Planning Department at Shawnee City Hall, 11110 Johnson Drive, Shawnee, KS 66203.
    - (2) The completed application should be submitted to the Planning Department prior to commencement of the work.
    - (3) Applications must include a description of the improvement or new construction plans.
4. Receiving the Loan
- a. The loan will be approved according to the credit standards of the selected bank.
  - b. At the time a loan is approved, the bank will invoice the City for the total five-year buy-down amount.

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- c. Annually, banks will submit a report to the City outlining all outstanding loans provided by the bank through the Downtown Improvement Loan Program.
  - 5. Receiving the Grant
    - a. Upon completion of the project, the applicant must submit receipts to the Planning Department totaling in excess of \$5,000.
    - b. Upon submittal of adequate receipts, the City will issue a check to the applicant for the amount of the grant awarded, in accordance with the City's normal accounts payable schedule.
- D. Downtown Restaurant Incentive Program
  - 1. Basic Program Elements
    - a. A grant will be awarded as reimbursement for actual costs for purchasing and installing one new grease interceptor at a new restaurant location.
    - b. Grants are available in the amount of up to \$2,500 based on the criteria set out below.
    - c. Use of this grant by the business or property owner does not preclude participation of the property owner in the Downtown Improvement Grant Program for eligible exterior improvements.
    - d. The business owner shall enter into an agreement with the City requiring that grant funds must be fully reimbursed to the City in the event that the grease interceptor is removed within five years.
    - e. Funding for the Incentive Program will be provided from the City's Neighborhood Revitalization Special Revenue Fund. Continuation of the program will be considered by the Shawnee Downtown Partnership and the Shawnee Governing Body on an annual basis.
  - 2. Eligibility Requirements
    - a. The building or property must be commercially zoned and used as a restaurant.
    - b. The building or property must be located in the Downtown Improvement Incentive Area (Attachment A).
    - c. All City of Shawnee required permits and approvals must be granted prior to the installation of the grease interceptor. This includes, but is not limited to, zoning, site plan, and building permit.
    - d. The business owner must have a grease interceptor operating permit from Johnson County Wastewater prior to discharging wastewater in to the system.
    - e. The business owner must obtain a food service license from the Kansas Department of Agriculture before opening.
    - f. The restaurant must be in operation for a minimum of 60 days prior to receiving reimbursement funds.
    - g. The grease interceptor must be permanent equipment that does not change with ownership or the operations/business.

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h. Eligible costs do not include repair or other maintenance of existing grease interceptors, or replacement.

3. Application Process

- a. Applications are available in the Planning Department at Shawnee City Hall, 11110 Johnson Drive, Shawnee KS 66203.
- b. Completed applications should be submitted to the Planning Department prior to receipt of the temporary occupancy permit.
- c. Applicants must provide proof of an Operating Permit issued by Johnson County Wastewater, and a food service license from the Kansas Department of Agriculture.

4. Receiving the Grant

- a. Upon operation of the restaurant for a minimum of 60 days, the applicant must submit receipts to the Planning Department showing expenses relative to the purchase and installation of the grease interceptor.
- b. Upon submittal of adequate receipts, the City will issue a check to the applicant for the amount of the grant awarded, in accordance with the City's normal accounts payable schedule.

E. Fire Safety Program

1. Basic Program Elements

- a. A grant will be awarded as reimbursement for installing a new fire line to accommodate a fire sprinkler system for a business.
- b. Grants are available in the amount of 20% of the cost of installing the new fire line up to \$5,000.
- c. Use of this grant by the business or property owner does not preclude participation of the property owner in the Downtown Improvement Grant Program for eligible exterior improvements.
- d. Funding for the Incentive Program will be provided from the City's Neighborhood Revitalization Special Revenue Fund. Continuation of the program will be considered by the Shawnee Downtown Partnership and the Shawnee Governing Body on an annual basis.

2. Eligibility Requirements

- a. The building or property must be commercially zoned.
- b. Buildings built prior to the year 2000 are eligible for the program.
- c. Change of use, new expansions to existing uses, or additions to buildings built prior to 2000 that result in the building now requiring a fire sprinkler system may also be eligible.
- d. The building or property must be located in the Downtown Improvement Incentive Area (Attachment A).
- e. All City of Shawnee required permits and approvals must be granted prior to the installation of the new fire line to accommodate for installation of a new fire

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sprinkler system. This includes, but is not limited to, zoning, site plan, and building permit.

- f. The business owner must have an approved Commercial Service Connection Permit from WaterOne prior to installation of a new fire line.
  - g. Eligible costs do not include repair or other maintenance of existing fire lines.
3. Application Process
- a. Applications are available in the Planning Department at Shawnee City Hall, 11110 Johnson Drive, Shawnee KS 66203.
  - b. Completed applications should be submitted to the Planning Department prior to installation of the new fire line to confirm eligibility.
  - c. Applicants must provide proof of a Commercial Service Connection Permit issued by WaterOne.
4. Receiving the Grant
- a. Within 180 days of installation and completion of the fire line, the applicant must submit receipts to the Planning Department showing expenses relative to installation.
  - b. Applicants must have an approved Certificate of Occupancy for the improved space.
  - c. Upon submittal of adequate receipts, the City will issue a check to the applicant for the amount of the grant awarded, in accordance with the City's normal accounts payable schedule.

**IMPLEMENTATION**

- 1. These three programs work in conjunction with the Downtown Improvement Incentive Program approved by the City Council on January 13, 2003.
- 2. Commercial property owners may be eligible to take advantage of the Downtown Improvement Grant Program and the Downtown Improvement Loan Program. Residential improvements are eligible for the loan improvement program only. Only business owners are eligible for the Business Loan Program.
- 3. The Downtown Improvement Grant Program was effective the date of approval by the Council of the Downtown Improvement Incentive Program, January 13, 2003.
- 4. The Downtown Improvement Loan Program will become effective on the approval date of this policy statement.
- 5. New businesses and existing businesses expanding their square footage by at least 25% are eligible to participate in the Business Loan Program.
- 6. The Downtown Business Loan Program shall become effective on the approval date of this policy statement.

This policy shall remain in force until officially changed by the majority of the Council Members present and voting; where the number of the favorable votes is one (1) less than required the Mayor shall have the power to cast the deciding vote in favor of the action.

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CITY COUNCIL APPROVAL AND REVISION DATES

October 27, 2003; November 22, 2004; November 28, 2005; January 28, 2008; March 8, 2010; September 9, 2013; March 23, 2015; November 23, 2015

OTHER REFERENCE (COMMITTEE MEETINGS)

October 21, 2003: Public Works and Safety Committee Meeting, Agenda Item 2

June 10, 2007: Public Works and Safety Committee Meeting, Agenda Item 2

December 14, 2007: Public Works and Safety Committee Meeting, Agenda Item 1



Michelle Distler, Mayor



Stephen Powell, City Clerk





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## Downtown Improvement Incentives Attachment B

