



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**June 21, 2022**

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**TOPIC:** Commercial Property Compliance Assistance Program

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**AGENDA TITLE:**

Authorize the Implementation of the Commercial Property Compliance Assistance Program (**Revive Santa Ana Program**)

**RECOMMENDED ACTION**

Authorize the Executive Director of the Building and Planning Agency to Implement the Property Compliance Assistance Program and begin Accepting Applications for Economic Relief Funds for an aggregated amount not to exceed \$1,000,000.

**DISCUSSION**

As part of the Revive Santa Ana Initiative approved by the City Council on July 6, 2021, the Planning and Building Agency has developed the program details for the Commercial Property Compliance Assistance Program (CP-CAP). At the aforementioned City Council meeting, City Council approved the appropriation of \$1,000,000 from the American Rescue Plan Act (ARPA) funds to be used for CP-CAP as part of the Public Health and Safety proposal of Revive Santa Ana. The funds for the program were utilized to recruit additional staff and to create a reimbursement program to support commercial property enhancement efforts.

Category 2 of the final rule released by the U.S. Department of the Treasury states that the program is eligible for ARPA funds to aid property owners struggling to remain code compliant as a result of the negative economic impacts of the COVID-19 pandemic.

CP-CAP enhances collaborative code enforcement along with façade improvements for shopping centers with vacant storefronts within the qualified census tracts. The ARPA funds allocated through the Revive Santa Ana initiative will support enhancement efforts to improve the appearance of commercial shopping center storefronts. The program will assist commercial properties in their recovery efforts due to the hardship negatively affected by the pandemic. In addition, the improvements made through the program will address past deferred maintenance hardships.

The goal of the program is to facilitate commercial revitalization, stimulate private investment, preserve and beautify the commercial corridors, and generate shopping and a pleasant walking environment by improving the visual aesthetics of commercial building facades through the use of the City's Revive Santa Ana - ARPA funding allocation.

The proposed program will offer reimbursement awards up to a maximum of \$50,000 to each qualifying commercial property owner. Each eligible applicant must provide proof of initial investment and commitment to make property improvements. Applicants are required to match 100% of the funds as requested in their application. The objective of the investment requirement is to incentivize, maximize, and complement additional property improvements.

The award monies may be used to complement the following property improvements:

- Restorations of building materials and architectural features
- Signage
- Awnings
- Steam cleaning / Power washing
- Fencing
- Doors
- Parking lot resurfacing
- Lighting
- Paint
- Anti-graffiti measures
- Landscaping and irrigation
- Decorative improvements
- Aesthetic improvements
- Property Management Contact information signage

Properties qualified to participate in the Property Compliance Assistance Program must meet all of the qualifying criteria:

- Commercial property located within Santa Ana city limits within the area highlighted in the qualified census tract (exhibit 1);
- Have all applicable licenses current;
- Submit a City application with required supporting documentation; and
- Demonstrate significant revenue loss as a result of COVID-19

Properties and activities excluded from the Property Compliance Assistance program include:

- Home-based businesses;
- Structures not facing the public right-of-way;
- Banks;
- Churches and other religious institutions;
- Government-owned buildings;

- Interior or exterior improvements not approved by the Planning and Building Agency;
- Improvements without proper, clearly defined, and notarized documentation;
- Commercial properties outside the area highlighted in Exhibit 1; and
- Trading one type of service/job for another, rather than paying to have the service/job performed (i.e. no “bartering”)

Properties with outstanding corrective notices dated after program approval will receive preferences.

Due to the high level of building activity throughout the City, additional personnel have been recruited to direct the implementation and administration of the program. The following designated staff have been assigned to expedite the program implementation:

- 1 Assistant Plan Check Engineer;
- 1 Permit Technician;
- 1 Assistant Planner I; and
- 1 Management Analyst

Using ARPA funds for the aforementioned personnel will provide dedicated services to applicants without hindering the workflow of ongoing projects or prolonging project reviews due to an influx of demand. Program staff will complete grantee projects within the 100-day period as stipulated for project completion. The city will receive applications concurrently as projects are being completed which will provide efficient pacing for project reviews.

To award funds promptly and distribute the designated allotments to property owners quickly, the program will be publicly released Wednesday, June 22, 2022, pending Council approval. Applicants will be able to submit their applications and supplemental materials by US postal mail, in person, or via email.

PBA staff members assigned to ARPA from the Planning and Building Agency will review completed applications to determine eligibility. Funding will be allotted on a first-come-first-serve basis of complete application submittal including all required supplemental documents until depleted. Reviewing applications on a first-come-first-serve basis will allow City staff the ability to expedite eligibility.

Applicants will be provided written notification of pre-approval or denial of their application. Reason(s) for the project denial will be provided to the applicant in writing. Correspondence regarding the program is as follows:

- Written notifications will be disbursed within two weeks of receiving applications.

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- During the pre-approval phase of the program, applicants are required to provide applications and complementary materials in duplicate; one (1) additional physical copy and one (1) digital copy.
- After the City receives the pre-approval documents, applicants will be given written notifications of final approval.
- Written notifications of final approval will be disbursed within two weeks of receiving the pre-approval documents.
- Reimbursements will be awarded within two to four weeks after the date provided in the Notice of Completion. Projects approved by the Planning and Building Agency are required to be completed within one hundred (100) days of receiving the Notification of Approval.

Failure of completion will result in forfeiture of the reimbursement.

### **ENVIRONMENTAL IMPACT**

There is no environmental impact associated with this action.

### **FISCAL IMPACT**

As indicated, the estimated total delivery cost of the program is \$1,000,000 which includes staff, program management, and reimbursable monies to local properties. Funds for this project were appropriated in the Fiscal Year 2021-22 through the Revive Santa Ana Spending Plan. Funds are available in the following accounts for the specified fiscal year:

<b>Fiscal Year</b>	<b>Accounting Unit-Account #</b>	<b>Fund Description</b>	<b>Accounting Unit, Account Description</b>	<b>Amount</b>
FY 21-22	18116013-Various	American Rescue Plan Act (ARPA)	ARPA – PBA, Salaries & Benefits	\$28,000
FY 22-23	18116013-Various	American Rescue Plan Act (ARPA)	ARPA – PBA, Salaries & Benefits	\$372,000
FY 22-23	18116013-62300	American Rescue Plan Act (ARPA)	ARPA – PBA, Contract Services-Professional	\$600,000
<b>Grand Total</b>				<b>\$1,000,000</b>

### **EXHIBIT(S)**

1. Qualified Census Tract (QCT) Map
2. CP-CAP Guidelines and Application

Submitted By: Minh Thai, Executive Director of Planning and Building Agency

Approved By: Kristine Ridge, City Manager