



**CITY OF BLACK HAWK
HISTORIC RESTORATION AND COMMUNITY PRESERVATION FUND
REHABILITATION GRANT GUIDE TO PROGRAMS**

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PLEASE TAKE NOTE

THE GRANTS AWARDED UNDER THE REHABILITATION GRANT PROGRAM ARE CONSIDERED INCOME UNDER STATE AND FEDERAL INCOME TAX LAWS.

ANY REHABILITATION GRANT THAT IS APPROVED BY THE CITY WILL BE REPORTED TO STATE AND FEDERAL TAXING AUTHORITIES. AS PART OF THE REHABILITATION GRANT PROGRAM AND TO THE EXTENT PERMITTED BY LAW, THE CITY WILL REIMBURSE REHABILITATION GRANT RECIPIENTS FOR ADDITIONAL STATE AND FEDERAL TAXES PAID BY RECIPIENTS THAT ARE DIRECTLY ATTRIBUTABLE TO THE DISBURSEMENT OF GRANT FUNDS IF REQUIRED DOCUMENTATION IS TIMELY FILED WITH THE CITY. [ALTERNATIVE. GRANT RECIPIENTS MAY BE REQUIRED TO APPLY FOR THE COLORADO HISTORIC PRESERVATION INCOME TAX CREDIT.]

REGARDLESS OF THE CITY'S AGREEMENT TO REIMBURSE GRANT RECIPIENTS FOR THE INITIAL STATE AND FEDERAL TAX BURDEN OF A GRANT, THE OBLIGATION TO PAY ANY TAXES REMAINS THE RESPONSIBILITY OF THE GRANT RECIPIENT.

PLEASE CONTACT YOUR TAX ADVISOR CONCERNING ANY POTENTIAL TAX LIABILITY THAT YOU MAY HAVE AS A RESULT OF RECEIVING ANY OF THE GRANTS DESCRIBED IN THIS PROGRAM AND AS THE RESULT OF THE CITY'S REIMBURSEMENT OF YOUR TAX LIABILITY.

NOTE THAT IF YOU SELL YOUR PROPERTY WITHIN FIVE YEARS OF HAVING RECEIVED A REHABILITATION GRANT, YOU MAY BE LIABLE TO REPAY THE CITY A PORTION OF THE GRANT RECEIVED AND TAXES REIMBURSED.

SECTION 1: PROGRAM OVERVIEW

a. BACKGROUND

The Constitution for the State of Colorado provides that a portion of the gaming tax revenues be returned to the City of Black Hawk, specifically for restoration and preservation of the City of Black Hawk. The City of Black Hawk established the Historic Restoration and Community Preservation Fund (“Fund”) to assist residential property owners within the City. The Black Hawk Historic Rehabilitation Fund Guide to Programs (the “Program”) is intended to assist property owners in the rehabilitation and preservation of residential properties. This specifically includes the ability to keep the houses in the City that are defined as Qualified Properties (per Section 1.c) as functional, sustainable, and habitable. Property Owners, as set forth below, have two options for funding assistance in the rehabilitation and preservation of properties, which may be combined. The Historic Rehabilitation Grant Program is further described and defined in Section 3 of this Guide to Programs document.

b. PURPOSE

The City has established goals to preserve the City’s architectural character with exterior improvements to buildings, while also assuring that the residences and any Qualified Properties are habitable. In order to attain these goals, the City seeks to preserve as many of the City’s structures as possible in accordance with Colo. Rev. Stat. § 12-47.1-1202. The purpose of the fund, therefore, is to provide financial assistance that will promote the restoration and preservation of Black Hawk’s Qualified Properties and to provide for the continuation and enhancement of a functional, sustainable, healthy and vibrant Black Hawk residential community.

This program is intended to enhance certain select areas of the City by providing Property Owners with the resources needed to rehabilitate and historically preserve Qualified Properties. The use of funds pursuant to the Program is only for the specific property address and work program recommended by the Historic Preservation Commission (HPC) and approved by the City Council, which is consistent with the Secretary of the Interior’s Standards for Treatment of Historic Properties, and complies with the City of Black Hawk Residential Design Guidelines.

c. DEFINITIONS

1. **Bed and Breakfast:** A residential dwelling unit that provides sleeping accommodations for hire, for thirty (30) days or less, on a day-to-day basis, with one (1) or more meals per day included, at which an owner, manager or lessee of the property resides on the premises. Such use shall not include residential dwelling units with two (2) or more rental rooms or facilities which include retail or commercial activities of any kind. Commercial properties without a resident owner are not eligible for this Program.
2. **Board of Aldermen:** An elected six-member panel authorized with decision-making powers for the governance of the City of Black Hawk.

3. Boundary Line Agreement: A formal document signed by the affected Property Owners documenting and agreeing upon the location of all property boundaries.
4. Building Official: The City official charged with the responsibility of administering and enforcing the City's building codes.
5. Certificate of Appropriateness (COA): The official document issued by City Council approving an application or permit for the erection, moving, demolition, alteration or addition to, or the external construction or external restoration of a historic landmark. A COA, once issued, will expire under the same conditions as its associated building permit. A recommendation for approval must be provided by HPC.
6. City Council: The elected Board of Aldermen, plus the Mayor.
7. City of Black Hawk Residential Design Guidelines: Guidelines developed to help achieve the goal of preserving the City's character with exterior improvements to buildings. Please contact City staff for a copy of these Guidelines.
8. City Staff: An employee of the City of Black Hawk.
9. General Contractor: The contracting company selected to oversee and manage the construction work.
10. Construction Hard Costs: Costs related to labor, materials, and overhead.
11. Construction Soft Costs: Costs related to fees, permits, insurance, and other costs not directly related to the physical installation of the Scope of Work.
12. Contributing Structure: Any building, structure, or object included on the property which adds to the historical integrity or architectural qualities that make the historic district significant and is used for defining context and which retains a significant amount of its physical integrity and character-defining features.
13. Designated Historic Resource: A public or private building, home, replica, structure, object, property, park or site that has importance in the history, architecture, archeology or culture of the City, State or Nation, as designated by HPC.
14. Escrow Account: An account established by the Property Owner to fund any additional costs for the project which are not covered through the Historic Restoration and Community Preservation Fund. Costs must be pre-paid into the account prior to the start of construction.
15. Flood Plain: Also known as a flood zone. An area defined by FEMA according to varying levels of flood risk and type of flooding.

16. Guide to Programs: This policy and procedures document, related to the Historic Restoration and Community Preservation Fund.
17. Historic Preservation Commission (HPC): A five-member appointed panel charged with the review and recommendation of modifications to the historic components of the City of Black Hawk.
18. Injunctive Relief: A court-ordered act or prohibition against an act or condition which has been requested, and sometimes granted, in a petition to the court for an injunction.
19. Liquidated Damages: Monetary compensation for a loss, detriment, or injury to a person or a person's rights or property, awarded by a court judgment or by a contract stipulation regarding breach of contract. The purpose is to establish a predetermined sum that must be paid if a party fails to perform as promised.
20. National Historic District Landmark: All properties within the Historic Residential District zoning designation are included within the National Historic District Landmark. The full boundaries of this Landmark District can be obtained from City staff.
21. National Historic Landmark Period of Significance: 1859 to 1918.
22. Noncontributing Building: A building, regardless of age, that has lost its integrity. These buildings do retain value as residential or commercial properties, but do not possess the significance and/or physical integrity necessary to be listed as contributing.
23. Outbuildings: Accessory structures to the original building which may or may not be included as part of the Qualified Property. Improvements to these structures will be at the discretion of the City.
24. Owners Representative: An entity designated by the Owner (City of Black Hawk and/or Property Owner) to act on their behalf in administering the contract documents, coordinating design professionals, overseeing construction progress, and reviewing paperwork required as part of the Program.
25. City of Black Hawk Historic Preservation Easement Program (Preservation Easement): A funding source from the City of Black Hawk which is administered via direct contract between the City and General Contractor. Work is completed via construction easements granted by the Property Owner. See Section 3 for additional information.
26. Program: The Black Hawk Historic Restoration and Community Preservation Fund.
27. Property Owner (Owner): Property owner per recorded City documents, or designated representative as provided with written permission via a signed and notarized "Affidavit of Permission" or "Power-of-Attorney" from the Property Owner.

28. **Qualified Professional:** An individual licensed or appropriately experienced in the discipline within which a recommendation is needed.
29. **Qualified Properties:** Properties within City limits which were constructed more than fifty (50) years prior to the date of the application and are designated as a national landmark or within a national historic landmark district. NOTE: Properties may have both historic and non-historic components; however, the intent of the Program is only for the historic portion of the structure.
30. **Rehabilitation Grant Program (Rehabilitation Grant):** A funding source from the City of Black Hawk which is administered via direct contract between the Property Owner and General Contractor. See Section 4 for additional information.
31. **Roadway Easement:** An easement provided by the City of Black Hawk for road and utility work within the public right of way adjacent to the property. Also applicable when portions of the existing structure are located within the public right of way.
32. **Secretary of the Interior Standards:** The United States Secretary of the Interior's Standards for Treatment of Historic Properties.
33. **Substantial Completion:** The stage in the progress of the work when the work, or designated portion thereof, is sufficiently complete in accordance with the contract documents so that the owner can occupy or utilize the work for its intended use.
34. **Temporary Construction Easement:** A legal document providing the Grantee (City of Black Hawk) with full access to the property under consideration for the purpose of completing the Scope of Work. The easement is only valid for the duration of the construction period.
35. **Temporary Use Permit:** A permit issued by the City of Black Hawk to allow private property to be used for alternate uses (storage, staging, etc.) for a limited amount of time.
36. **Property Owner Trade Contract Agreement:** An agreement signed by the Property Owner and the successful General Contractor detailing the contract terms and alternates for any construction work as part of the Rehabilitation Grant Program.

d. PROGRAM GOALS

The goal of the Historic Restoration and Community Preservation Fund Program is to promote the restoration and preservation of Qualified Properties through proper rehabilitation, which includes making Qualified Properties habitable and sustainable. The exterior of the structures must be maintained and preserved with materials that comply with the City of Black Hawk Residential Design Guidelines, and by methods consistent with those that will allow the structure to remain as a contributing structure in the historic district. Historically significant exterior and interior finishes are expected to remain on each property. Evaluation, approval and rehabilitation

of homes will be reviewed on a case-by-case basis in accordance with the applicable standards, laws, and regulations approved by the City, including this Guide to Programs.

For further guidance regarding the long-term preservation, maintenance, and proposed improvements on a property, consult with professional staff in the Community Planning and Development Department. Additional information concerning structural and architectural improvements can be found in the City of Black Hawk Residential Design Guidelines, which is consistent with the Secretary of the Interior's Standards for Treatment of Historic Properties, also available from the Community Planning and Development Department.

e. GENERAL PROGRAM INFORMATION

The following considerations apply to all activities proposed and/or covered by the Program:

1. Projects will only be selected and authorized upon completion of an application in accordance with the requirements described in this Rehabilitation Grant Guide to Programs.
2. Careful consideration should be given in preparing the application. The quality of the application will be considered as indicative of the Property Owner's ability to accomplish the proposed project. Careful consideration will also be given to a Property Owner's past performance in prior projects including, but not limited to, the use of a grant and the accomplishment of a prior project. Additionally, the manner of upkeep and routine maintenance performed by the Property Owner at the property will be taken into account by the City Council.
3. The City Council shall have the authority in its sole discretion to deny any application submitted for a grant or easement project if, in their opinion, the Property Owner has neglected to adequately maintain their property allowing it to become in a state of disrepair.
4. Failure to sign and enter into the necessary legal agreements will disqualify Applicants from participation in the program. All Rehabilitation Grant Program Agreements will be signed prior to issuance of Notice to Proceed to the general contractor.
5. The City of Black Hawk expressly reserves the right to reject any or all applications, reduce the application amount, and request additional information to assist in the thorough review of any application. Failure of a Property Owner to comply with this Rehabilitation Grant Guide to Programs on a prior project, to properly use a grant for a prior project, to administer a prior project, and to accomplish a prior project may be a basis to reject or deny an application.
6. The award of any grant to a Qualified Property, regardless of funding type, shall only occur once per Category of Assistance. Additionally, only one request may be made within any one-year period, and is subject to the availability of grant funds, which are allocated by the City Council of the City of Black Hawk in the exercise of its sole

discretion, and is further subject to the annual budget and appropriation of the Historic Restoration and Community Preservation Fund by the City Council of the City of Black Hawk. Once a Rehabilitation Grant has been awarded for a Full Building Component, as further defined in Section 2 of this document, the interior is no longer eligible to receive additional grants under this particular component/Category of Assistance.

7. Once a Property Owner has submitted an application to the City of Black Hawk for any of the Categories of Assistance, the Property Owner's name and address will be placed (first-come, first served basis) on the list of potential recipients for such grant category. If such property is subsequently sold to a new owner, the new owner's name shall remain in the same priority if the new owner makes a request in writing within 45 days of the date of notification as set forth herein. The Community Planning and Development Department shall notify the new owner of the property of the opportunity to have the property stay on the list of upcoming grant or easement projects. The new Property Owner shall have 45 calendar days to respond to the City's request. If the new Property Owner does not notify the City of Black Hawk in writing within the 45 days after receiving the notification letter, the original application from the previous Property Owner will be deemed of no effect.

If a Property Owner owns multiple Qualified Properties, an application may be made for each individual property. Properties will be placed on the list of potential recipients in the order in which the applications are received. The order of properties to receive grant funds, if owned by the same Property Owner and in sequential order on the grant approval list, may be modified from the order of application. Non-sequential properties owned by the same Property Owner may not be modified from the order of application.

8. Applications can only be made by the Property Owner, as defined in this Section.
9. This program is not intended for, and should not be used as a substitute for, routine maintenance and care of a house, structure, or prior improvements to the home and/or property. Additionally, all improvements to a Qualified Property that are funded by this grant program need to be appropriately and consistently maintained by the Property Owner. All improvement(s) should be maintained in conformance with manufacturers' standards of normal care for such improvement. Furthermore, no Category of Assistance included in this program is to be utilized as a substitute for a Property Owner's property insurance policy.
10. In the event the City makes certain expenditures to benefit a property in reliance upon a signed application, including but not limited to the creation of any and all Construction Documents and fees for Owners Representative services, the Property Owner agrees to be bound by the terms and conditions contained in the Historic Rehabilitation Grant Fund Guide to Programs and to complete the project set forth in the application. Property Owner further agrees that in the event he/she decides not to proceed with construction of the project, Property Owner shall be responsible for reimbursing the City for actual costs incurred by the City for items including but not limited to the creation of any and all Construction Documents, fees for Owners Representative services, and any other costs actually incurred.

11. All projects, whether via contract with the City or Property Owner, shall commence construction within twelve (12) months of the award of any grant funds for a project, and will have twelve (12) months to complete the work after the project has begun. The beginning of a project is the date of issuance of the building permit for the project. The end of the project is the expiration date (one (1) year after issuance of the building permit), and same date that all available and approved funds should be requested from the City, with appropriate and required receipts and documentation, on or before that day. Unless the City Council approves an extension of the expiration date, any funds remaining at the end of the project shall revert to the Historic Rehabilitation grant Fund for use on other projects. In the event the Contractor/Property Owner fails to obtain a building permit and commence construction of a project within twelve (12) months of the grant award, the grant funds shall revert to the Historic Rehabilitation Grant Fund for use on other projects and the property/project will move off the list of upcoming projects for the Historic Restoration and Community Preservation Fund Program.

12. It is the responsibility of the Property Owner subject to any Rehabilitation Grant agreement being completed to keep the improvements paid for with the City-approved grant installed and on the property for a minimum of five (5) years. Changes to the Rehabilitation Grant-paid improvements shall not be allowed (both internal and external to the building and site) for the next five (5) years upon the completion date of the last disbursement of funds from the City for the Rehabilitation Grant.

f. GENERAL EVALUATION CRITERIA

1. The City’s decision to approve an application will be based on the Criteria for Selection included in, but not limited to, Appendix 1 of this Guide to Programs for any proposed project and the support that the project provides to the advancement of the City’s restoration and preservation goals. In addition to the discretionary Criteria, priority may be given to applications that will:
 - A. Substantially improve the visual appearance of neighborhoods, streetscape or an individually significant Qualified Property.
 - B. Demonstrate proper rehabilitation techniques based on preservation and restoration principles.
 - C. Demonstrate previous proper maintenance and upkeep of the property including all required payments to the City and/or other governmental agency.
 - D. Undertake critically needed improvements, restoration, and preservation of properties.

2. The listed general considerations include, but are not limited to the following, and will be taken into account in reviewing and evaluating all requests for assistance from the Program:
 - A. The significance of the property involved.
 - B. The physical condition of the property.
 - C. The quality of maintenance and repairs made to the property.
 - D. The quality of the proposal and the completeness of the application.
 - E. The likelihood of satisfactory completion and previous proper maintenance of the property and its improvements.

SECTION 2: CATEGORIES OF ASSISTANCE

a. CATEGORIES OF ASSISTANCE

The Historic Rehabilitation Fund Grant Program includes three (3) components of assistance, which may be combined into any one grant application and/or award.

1. Full Building Component
2. Emergency Component
3. Radon Mitigation Component

All work conducted through the Rehabilitation Grant program shall be completed in accordance with the standards and specifications listed in the appropriate component/section in the Appendix of the Guide to Programs.

b. DESCRIPTION OF COMPONENTS

1. Full Building Component

The Full Building Component is available to provide interior rehabilitation, stabilization and repair of Qualified Properties and may include multiple Categories of Assistance. Funding for a Full Building Category of Assistance is required to be achieved through a Rehabilitation Grant. Once funding has been awarded for a Full Building Component, the interior is no longer eligible to receive additional funding under this component. Please consult with City staff and the Owners Representative to fully understand how a specific request for this component will be processed.

2. Emergency Component

The Emergency Component was created to provide relief for owners of a Qualified Property that experience an emergency defined as unexpected life safety or habitability issues that warrant the need for immediate attention for repair or replacement, and may also cause damage to other portions of the residence.

This component is not to be utilized as a substitute for routine maintenance tasks, or for issues that do not threaten the historic structure on the property. Replacement of forced air furnaces, water heaters and/or boilers may be considered if they are determined to be at least 10 years old. Please note that the intent of this component is only to completely replace items such as forced air furnaces, water heaters and/or boilers if it is determined by a qualified professional approved by City staff that a complete replacement will be more cost effective than replacement of individual system components, which is considered a routine maintenance task to be completed and paid for by the Property Owner. A determination by a qualified professional approved by City staff that the life safety or habitability issue referenced in the grant application is a result of a Property Owner's lack of routine maintenance and/or neglect of a specific building system component will be grounds to deny any requested Emergency Component grant. Items included in this component may include (but are not limited to): replacement of water

heaters, boilers and furnaces, gas line and/or water pipe repair/replacement within the home, site utility repair/replacement, roof leak repair/replacement, and tree removal.

In addition, this component is not intended as a substitute for the Property Owner's homeowner insurance, and the City will request documentation indicating that an insurance claim was filed and subsequently denied prior to awarding a grant under this component. Back-up information and records will be requested before presenting a proposed Emergency Component grant to the City Council.

An Emergency Component grant will only be considered when the problem is truly an emergency as determined by the City Council upon review of the required documentation. A sum of funds approved by the City Council may be awarded as a reimbursement for items that have already been replaced or repaired, at the sole discretion of the City Council. Itemized receipts will be required with each invoice submitted. An Emergency Component grant will not be awarded for any item that has previously been the subject of an Emergency Component grant approval.

The Property Owner is responsible for providing the information as described above and the City shall be notified in writing of the emergency within 14 calendar days (upon discovery) of the date of the emergency. The grant application shall be submitted within 45 calendar days of the date of discovery of the emergency. The Property Owner is then required to sign a Rehabilitation Grant Agreement upon scope approval by the City Council.

The Property Owner is responsible to ensure that an application for any required permit(s) are submitted for all work associated with the project, and that no work or construction on the property takes place until there are approved permit(s) for the work issued by the City. The only exception to this is when repairs must be made immediately to address life safety. In this case, permits must be applied for within three (3) business days after commencement of such repairs.

An Emergency Component grant may only be considered on a case-by-case basis by the City Council of the City of Black Hawk.

If the application for an emergency grant is not received by Community Planning and Development from the Property Owner within the time specified herein, the application shall be denied.

Please consult with City staff and the Owners Representative in order to fully understand how a specific request for this component will be processed.

3. Radon Mitigation Component

The goal of the Radon Mitigation Component is to assist Property Owners with radon mitigation in their homes in order to promote the safety, health and wellbeing of all its residents as well as improve the livability of the historic homes within the City limits. If a Property Owner tests for radon and discovers that the levels in their home exceed the recommended 4 pCi/L level, the program will reimburse the Property Owner up to, but not exceeding, \$500 of the expenses associated with the installation of a radon mitigation system.

Please consult with City staff and the Owners Representative in order to fully understand how a specific request for this component will be processed.

SECTION 3: REHABILITATION GRANT PROGRAM

A. ELIGIBILITY

In order to be a Qualified Property that is eligible for a grant under the Historic Rehabilitation Grant Program ("Rehabilitation Grant"), the following requirements must be adhered to:¹

1. The work must be part of a Qualified Property to be eligible. Contributing structures are automatically considered eligible. Any additions to historic buildings must be at least 50 years of age to be eligible.
2. The work must be consistent with the Secretary of the Interior's Standards for Treatment of Historic Properties. A Certificate of Appropriateness for any exterior work is always required with all projects. The Property Owner shall work with the Architect and his/her design team, City staff and/or other appropriate staff or consultants to assist in proposing that historically significant finishes and materials and character defining features (interior and exterior) are to remain or are addressed appropriately in accordance with the standards and guidelines. It is strongly recommended the Property Owner retain an Owners Representative to represent their interests in the administration of this Rehabilitation Grant program.
3. A Property Owner cannot receive more than one (1) grant from each of the categories of assistance offered under the Program for the restoration or preservation for the same Qualified Property within any one-year period.
3. A Qualified Property must be located within a national historic landmark district or within an area listed on the national register of historic places.
4. Structures must have been originally constructed more than fifty (50) years prior to the date of the application.
5. Funding shall only be made to a defined Property Owner.
6. A Rehabilitation Grant shall not be made for more than one (1) year at a time.
7. A member of the City Council of the City of Black Hawk and members of HPC shall disclose any personal interest in the program before voting on the application.
8. Reimbursement. In the event the amount of the Award plus the Tax Burden (the "Combined Amount") exceeds fifty thousand dollars (\$50,000.00) and the Property

¹ An Applicant should be aware that the provisions of the Rehabilitation Grant Program, while in many respects is similar to the Historic Preservation Easement Program, does differ in many significant respects because of the fact any project under the Rehabilitation Grant Program will be a private project by the Property Owner reimbursed by the City. Please refer to the matrix provided by City staff for a delineation of the various differences between the two programs.

Owner sells or transfers the Property within five years of the Effective Date, the Property Owner shall reimburse the City the amount of the Combined Amount less an amount equal to one-sixtieth of the amount of the Combined Amount for each full month occurring between the date of this Agreement and the date of the sale or transfer of the Property (the "Reimbursement Amount").

9. Commercially zoned Qualified Properties that are being maintained for a residential use may apply for a grant provided the Property Owner signs an additional agreement. This separate agreement requires the Property Owner to pay back, without interest, the grant amount used for the structure if and when the property is converted from residential to an income-producing commercial use. For the purposes of this program, an owner of a bed and breakfast use or a non-profit organization may qualify for a grant as long as the primary use of the property is residential.
10. Property Owners are specifically responsible for using the funds from the Grant to pay the General Contractor for all work done in accordance with the agreement the Property Owner must have with the General Contractor. Lack of payment from a Property Owner to the General Contractor, for work covered under the approved grant, will be grounds to withhold disbursement of any funds to the Property Owner for any additional work on the property or even other properties the owner may own until such time as evidence of payment to the General Contractor is provided. Also see Appendix 1 of this document regarding payments to the Property Owner and subsequent payment to the General Contractor.
11. At least three (3) detailed bids will be required to be requested from pre-qualified General Contractors. Bids must be obtained for all proposed construction work and submitted for review by the City prior to beginning any construction work unless otherwise authorized in writing by the City. The City and the Property Owner must both be in agreement with the selection of the General Contractor. The City strongly recommends that if the Property Owner is also a recipient of funds from the Historic Preservation Easement Program, that the same General Contractor be selected for the Rehabilitation Grant work as well.
12. Receipt of the Rehabilitation Grant is taxable income to the recipient. The City of Black Hawk provides for reimbursement of a Property Owner's state and federal income tax liability in association with the receipt of a Rehabilitation Grant, per Resolution 10-2010 (see Exhibit V). The City encumbers dollars in its accounting system to accommodate payment of the tax reimbursement. The Property Owner should consult with his or her tax advisor about whether the reimbursement here mentioned is itself income and gives rise to additional state and federal income tax liability. The City of Black Hawk does NOT reimburse the Property Owner for any additional state and federal income tax liability that might arise from said reimbursement.
 - i. The Property Owner is responsible for completing the necessary paperwork that establishes his or her payment of state and federal tax attributable to the receipt of the grant and delivering it to the City of Black Hawk Finance Department. A Property

Owner shall be required to submit documentation for the tax payment reimbursement during the calendar year(s) following the receipt of the grant funds. If the reimbursement has not been requested within the time limits set forth herein, the encumbered funds will no longer be available to the Property Owner for state and federal tax payment reimbursement and such encumbered funds will be reallocated back into the City budget for other purposes.

- ii. Property Owners may seek partial reimbursement for state income tax liability through the Colorado Historic Preservation Income Tax Credit, based on fund availability and subject to approval. [Alternative: If the Colorado Historic Preservation Income Tax Credit is available and if the Property Owner qualifies for it, the Property Owner must apply for it. The City of Black Hawk will only reimburse Property Owners for their state income tax liability, net of the Colorado Historic Preservation Income Tax Credit that could have been claimed.]

13. Awards will be made to owners of property within the City of Black Hawk at the sole discretion of the Board of Aldermen, and subject to the annual budget and appropriation of the Historic Restoration and Community Preservation Fund by the Board of Aldermen of the City of Black Hawk.

B. WORK ELIGIBLE TO BE COVERED BY THE REHABILITATION GRANT PROGRAM

Costs covered by the Rehabilitation Grant program include the interior rehabilitation of Qualified Properties to the extent provided by this program. Architectural fees, Owners Representative fees, construction costs, and related expenses are also eligible. City building permit fees are waived for residential projects only per City of Black Hawk Municipal Code Chapter 18, Section 18-5.

Refer to Section 4.e of this Rehabilitation Guide to Programs pertaining to General Conditions of Assistance for requirements regarding allowed materials to be used in this Rehabilitation Grant Program. A Material Allowance List (Exhibit II) is used to determine a not to exceed cost for finish materials. City staff has the authorization to update Exhibit II on an annual basis to allow for any applicable industry-wide material cost adjustments.

C. WORK NOT ELIGIBLE TO BE COVERED BY THE REHABILITATION GRANT PROGRAM

1. Funds cannot be used to acquire properties or for the moving of structures. A structure that is to be moved can only become eligible for grant funding if the structure is a Qualified Property, and it is relocated within the City to a location that is eligible under the Program and placed on a permanent foundation with tap and sewer fees paid.
2. New buildings, new additions and rehabilitation of previous ineligible additions are not considered eligible if they are less than 50 years old.

3. Extensive landscaping work is not eligible. However, all disturbed areas will be seeded with a “multi-color high altitude seed mix” from Arkansas Valley Seed, or equal. Erosion control mat and temporary irrigation provided until completion of project. Erosion control mat to be 70% straw and 30% coconut fiber between polypropylene netting.
4. Appliances such as, but not limited to, stoves, ovens, microwaves, dishwashers, refrigerators, washers, and dryers are not eligible items.
5. Hot tubs are not eligible.
6. Secondary (backup) heating sources are not eligible. Original fireplace restoration is acceptable. Air conditioning is not eligible.

D. LEGAL REQUIREMENTS

Along with the approval of an application by the City, owners must enter into legal agreements with the City which describe the terms for participation in the Rehabilitation Grant Program. Participation in the Rehabilitation Grant Program requires a Rehabilitation Grant Agreement. A copy of this document is included in Exhibit I. In addition to the basic Rehabilitation Grant Agreement, a commercial Property Owner will also be required to enter into another agreement regarding the conversion of the property from a residential use to an income-producing commercial use (per Section 4.a.7). Please consult with City staff for additional information regarding commercial conversion agreements.

Depending on the Scope of Work, a Boundary Line Agreement and possibly a Roadway Easement may be required. The City shall provide all data required (title commitments, surveys, etc.) to verify location of existing improvements on the property in an effort to ensure that any newly proposed improvements will be on the subject property as well. All applications are processed on a case-by-case basis in regards to this issue.

E. GENERAL CONDITIONS OF ASSISTANCE

1. The City of Black Hawk Residential Design Guidelines shall be consulted and utilized for all Historic Restoration and Community Preservation Fund Program projects.
2. Grant funds are paid on a “draw” basis. No advancement of payments will be paid to the Property Owner or General Contractor. Payments are made directly to the Property Owner when the City receives a General Contractor’s pay application with detailed and itemized invoices/schedule of values, and a signed request for payment form for the City Council approved work program. Property Owners shall not *disburse cash funds* to any Contractor for any work done. ***All transactions are expected to be promptly completed via the Property Owner by signing over the check*** from the City of Black Hawk to the General Contractor for the project as set forth herein in Appendix 1 regarding FBO (For the Benefit Of) payments. It is recommended the Property Owner obtain a receipt/waiver of lien from the General Contractor stating funds have been received with pay application

paid in full. All work is subject to inspection and review by the City's Building, Planning, and Public Works Departments for compliance with City standards and processes prior to submittal of any invoices to the City. The Property Owner is responsible for and must review, approve, and acknowledge seeing each invoice by placing a signature or initials on each invoice (pay application) submitted to the City with the paperwork for a request for payment. It is strongly recommended that the Property Owner retain an Owners Representative to assist with this process.

3. It is the responsibility of the Property Owner to bring the structure into conformance with City building and fire codes, even if the work exceeds the grant amount for any roof repair, exterior and interior finishing, electrical, plumbing, mechanical, and structural upgrades not included in the project as required by the building code and building official. All construction and work is subject to inspection by the City's Building, Planning, and Public Works Departments for compliance with City standards and processes.

4. The Property Owner, Architect and/or Engineer are to specify on the proposed construction drawings and project manual the specific materials to be used for the project. It is required that the materials to be used and paid for through the grant program are considered the 'off the shelf' products, and are not 'special or custom order' products that will significantly add to the construction costs of the grant project. At the same time, it is also not desired to purchase materials that would be of a cheap or inferior quality, so as to deteriorate soon and provide the need to again be replaced resulting in additional and sooner maintenance costs to the Property Owner. In order to assist in defining the level of each material/finish selection that is in alignment with the grant program requirements, a material allowance sheet is included in Exhibit II. City staff has the authorization to update Exhibit II on an annual basis to allow for any applicable industry-wide material cost adjustments. The Architect and/or Engineer, and Owners Representative if retained, will assist the Property Owner in making material selections that are anticipated to fall within these allowances. All interior Rehabilitation Grant projects will be designed within the material allowances. Should the Property Owner decide that an alternate material selection that exceeds the allowance is desired, that material selection shall be carried as an alternate in the proposed construction drawings and project manual so that during the General Contractor bid process, actual costs above the allowance amounts can be determined and the Property Owner can confirm that they wish to proceed with their premium selection. If the Property Owner desires to install upgraded or more expensive materials, they may do so at their own cost if the historic character and integrity of the structure is maintained. Such differences shall also be noted on the approved construction plans and project manual and incorporated into the General Contractor contract documents. Please note that, in order to minimize confusion and misunderstandings, the Property Owner will be required to deposit funds sufficient to cover all premium selections into an Escrow Account at the beginning of the project to ensure those funds are available for payment throughout the project. Please see the Rehabilitation Grant Agreement (Exhibit I) for specifics on this account and how it will be managed.

- A. In general, elegant designs and expensive materials were not consistent with the historical and architectural character in the City. Designs and materials are to reflect the functional rustic western mill town (vernacular) architectural character of historic Black Hawk. Designs and materials should be appropriate and yet allow for comfortable, habitable, sustainable and viable residential homes. Alternate or like materials may be considered as part of a project, and must be specifically requested for approval by the City through the appropriate process (included on the construction drawings and project manual), and in advance of any purchase and installation by the Contractor. Sustainable alternate solutions, such as energy efficient windows and insulating materials, may be allowed if approved by the City Council as part of the funding approval process. Such alternate or like material/solution shall not detract from or change the historic character of the home, and shall not jeopardize the status of the historic classification of the subject home or the historic district itself.
 - B. All projects that deal with the exterior of the house/structure must have a Certificate of Appropriateness (COA) recommended by the HPC and approved by the City Council. The COA application must be submitted concurrently; all architectural design and materials are to be evaluated by the HPC and City Council, and the review must include findings that the proposed design is consistent with the Secretary of the Interior's Standards for Treatment of Historic Properties, as well as the City of Black Hawk Residential Design Guidelines.
5. Grant funds cannot be used to reimburse a Property Owner for previous work or materials for a project accomplished prior to the grant approval except as specifically noted within Category 4 – Emergency Component and Category 5 – Radon Mitigation Component. Additionally, grant funds cannot be used to reimburse a Property Owner who purchases materials and provides to the General Contractor. All materials and labor are provided by the General Contractor per the final Scope of Work and executed contract.
 6. The City may recommend funding at a lower level than that requested by the Property Owner. In addition, the City may exercise its discretion while reviewing plans to require alternative materials due to cost, longevity, appropriateness of materials, and quality. Such decisions will be noted on the approved plans, and acknowledged by the Property Owner in advance of any building permits being issued for such work. Appeals (from the Property Owner) of such decisions/requirements by the City shall be to the City Council for review and determination. Again, please keep in mind that the Certificate of Appropriateness must be approved by City Council in advance of any construction, as well as before materials are ordered.
 7. The Property Owner and/or Contractor must contact the City Building, Public Works and Sanitation District departments to make inspections for the rehabilitation project, including water and utility improvements.
 8. Neither a Property Owner nor a close relative of the Property Owner shall be permitted to be the General Contractor, subcontractor or material supplier.
 9. Once a grant has been awarded for a Full Site and Building Component, the interior is no longer eligible to receive additional grants, except as reviewed on a case-by-case basis for

any work potentially covered by Category 4 – Emergency Component. However, exterior maintenance/repairs that become necessary due to weather exposure, such as painting and items associated with painting preparation, may receive additional grant approvals for the limited purpose of maintenance, and/or repairs in accordance with Category 3 – Exterior Component.

10. An approved grant shall only be able to be used for the historic portion of the house. The Property Owner must be responsible to pay for any improvements for the non-historic portion of the house through the establishment of an Escrow Account. The Property Owner shall work with the Owners Representative to create a Scope of Work, and request at least three (3) bids from the City of Black Hawk pre-qualified General Contractors list. Such selected General Contractor shall submit itemized invoices, and/or itemized receipts through the Property Owner and then to the City for payment of completed work.
11. The General Contractor must be insured and bonded during the entire project.

F. CONDITIONS OF AGREEMENT

The Property Owner shall agree to the following conditions:

1. The property shall be maintained in a manner that assures its preservation. Please consult with City staff for additional information regarding maintenance of building interior systems.
2. The Property Owner, Owners Representative and the General Contractor shall agree on a Scope of Work, and schedule of construction for the project. The Scope of Work and schedule must follow the approved plans and Rehabilitation Grant Guide to Programs procedures.
3. Architectural drawings, construction specifications and Scope of Work shall be reviewed by the Property Owner, Owners Representative, HPC and the City Council to assure that appropriate preservation procedures are followed. In some cases, construction documents prepared by licensed architects or engineers may be required. The Property Owner is responsible to ensure that an application for a building permit is submitted for all work associated with the approved project, and that no work or construction on the property takes place until there is an approved building permit for the work.
4. The City may hold a lien against the property for any improper work or to assure that the project is completed as approved. The lien will be released when the City Council approves the completed project.
5. A Rehabilitation Grant Agreement will be provided that sets forth the terms and conditions of participation in the program (Exhibit I).

APPENDIX 1
REHABILITATION GRANT PROGRAM
PROJECT CRITERIA/ PROCESS/PROCEDURE

Appendix 1 is intended as a resource to educate and inform the Property Owner to the extent they completely comprehend and understand the Rehabilitation Grant program review process and procedure.

For the purposes of this section, the terms Applicant and Property Owner are used interchangeably.

The Property Owner is required to meet with the City staff and Owners Representative to discuss their proposed project and potential eligibility. City staff and Owners Representative will introduce the general features of the program as highlighted below:

1. Application Phase.

- a. Initial Application Phase
- b. Orientation Meeting
- c. Update Application

2. Scope of Work Phase.

- a. Historic Research
- b. On-site Strategy Meeting
- c. Existing Conditions
- d. Inspections and Testing
- e. Appraisal Report

3. Agreement and Contracts Phase.

- a. Rehabilitation Grant Agreement
- b. Historic Preservation Easement Agreement
- c. Lender's Request for Subordination of Rights
- d. W-9
- e. Power of Attorney or Affidavit of Permission, ; if applicable
- f. State and Federal Tax Liability
- g. Boundary Line Agreements; if applicable
- h. Temporary Construction Easement between Applicant and City
- i. Temporary Construction Easement between Neighboring Properties and City
- j. Roadway Easement; if applicable
- k. License Agreement; if applicable

4. Architect Bid Phase.

- a. Architect Bid Process
- b. Bid Selection
- c. Project Design Start-up

5. Design Process Phase.

- a. Abatement and Remediation
- b. Conceptual Design
- c. Schematic Design
- d. Design Development
- e. Construction Drawings

6. Historic Preservation Commission and City Council Approval Phase

- a. Historic Preservation Commission Review and Approval
- b. City Council Review and Approval

7. General Contractor Bid Phase.

- a. Pre-qualified General Contractor Application Process:

Contractors must submit an American Institute of Architects (AIA) document A305 for review and approval. Once a Contractor has submitted all required forms and documents, a short interview will be scheduled to meet and discuss the Contractor's history and documents submitted. This process must include, from the Contractor, past project examples including bid breakdown, budgets, change order forms, and project schedules. References will also be required from the Contractor as noted within the A305 document. A determination will be made by City staff and the Owners Representative to approve or disapprove the Contractor to be put on the pre-qualified list.

A Qualifications Packet is requested which includes the following information:

- 1. An overview of general information about the company including:
 - a. Previous work experience related to any of the Categories of Assistance
 - b. Managerial ability
- 2. Quality control management/procedures
- 3. Previous construction experience in and/or near the City of Black Hawk
- 4. Staff resumes
- 5. Historic preservation/rehabilitation experience
- b. Referenced City of Black Hawk Resolutions; 19-2013, 3-2014, 13-2016, 14-2016
- c. General Contractor Bid Process
- d. Bid Analysis
- e. Bid Selection
- f. Project Construction Start-Up

8. Construction Phase.

- a. Pre-Construction
- b. Active Construction Rehabilitation Grant
- c. Active Construction Preservation Easement

9. Close-Out Phase.

- a. Construction Close-out
- b. Rehabilitation Grant Close-out
- c. Preservation Easement Close-out

Acknowledgement by Property Owner

The Property Owner has:

- (a) read this Agreement and the applicable documents associated with the “Guide to Programs,”
- (b) fully understands the terms and conditions of the grant as set forth therein, and
- (c) agrees to be bound by those terms and conditions.

Property Owner

By: _____

Date: _____

(Insert Address) : APPLICATION PHASE CHECKLIST

Date Done

To get their house added onto the existing Grant list...

Initial Application Phase:

HO submits completed initial application	
AA assigns Grant #, Project #, Type of Grant	
AA creates hard file & electronic file for documents	
AA scans initial application documents & saves in files	

Once this Grant's # comes up to the top of the list...

Orientation Meeting:

CP&D review Roles and Responsibilities	
CP&D review Project Schedule	
CP&D creates Dropbox folder (including Own-Your-Own-Home Guide and other pertinent documents)	
CP&D review Guide to Programs	
CP&D review Grant Agreement	
CP&D review Easement Agreement	
CP&D review Tax Implications	
CP&D review HPC requirements	
CP&D review Residential Design Guidelines	
CP&D review Standards for the Treatment of Historic Properties	

If HO decides to move forward with the project...

Updated Application Phase:

HO completes and signs new application	
NV5 gets Owner & Encumbrance Report/Title Work completed	
CP&D reviews past grants/reports for this property (Grant \$ spent)	
AA sends relevant Project Synopsis out to team via email	

Abbreviations:

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- EC = Environmental Consultant
- ENG = Engineer
- FBO = For Benefit Of
- GC = General Contractor
- HO = Homeowner
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- HP = Historic Preservation Consultant
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(Insert Address) : SCOPE OF WORK PHASE CHECKLIST

	Date Done
Historic Research (if needed):	
HP defines and recommends historic appearance	
CP&D/HP determines which portions are eligible for grant	
CP&D If info not available, get HO to prove building(s) age	
On-site Strategy Meeting (with CP&D, BI, HO, HP, NV5, PW & OR):	
CP&D/NV5 identify what is historic/non-historic	
CP&D/NV5 Identify areas of concern:	
*Sitework/Exterior (bridges, utilities, rock walls, other)	
*Code Review (exterior, interior, other)	
*Historic Review (historic structures, demolition, other)	
CP&D/NV5 Discuss w/HO of cost assoc'd w/keeping non-historic sections (code-compliant)	
CP&D/NV5/HO Identify what will be kept/discarded	
CP&D/NV5 review Home Program Outline Checklist w/HO	
Existing Conditions	
NV5 obtains Site/Topo/Floodways Property Survey	
NV5 obtains Wood/Windows/Doors Survey	
NV5 obtains Stone Wall/Masonry Survey	
NV5 obtains Geotechnical Report	
Inspections/Testing:	
NV5 schedules Lead Based Paint Survey	
NV5 schedules Radon Testing	
NV5 schedules Mold Survey	
NV5 schedules Asbestos Survey	
NV5 schedules mine tailings or mining waste rock determination	
Appraisal Report	
NV5 Obtains an appraisal report	

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(Insert Address) : ARCHITECT BID PHASE CHECKLIST

(CP&D/NV5 responsible for all items on this list)	Date Done
ARCH Bid Process:	
Approve Bid Process/Schedule	
Prepare Bid Package (ITBs, Agreements, Reports, Specs, Surveys, etc)	
Issue RFP for Architect (include Guide to Programs)	
Pre-bid Site Meeting	
Issue Addenda based on questions from Bidders	
Receive Bids (include signature that have read Guide to Programs)	
Bid Selection:	
Submit Bid Analysis for CC approval	
Obtain CC approval	
Issue Notice of Award	
Issue Notice(s) of Non-Award	
Project Start Up:	
Execute Architect Contract (Historic Portion)	
Execute Architect HO Contract (Non-historic Portion) if necessary	

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(Insert Address) : DESIGN PROCESS PHASE CHECKLIST

	Date Done
NV5/ARCH: As-Builts (CAD)	
Abatement/Remediation:	
CP&D/NV5/EC: Lead Abatement	
CP&D/NV5/EC: Radon Mitigation	
CP&D/NV5/EC: Mold Abatement	
CP&D/NV5/EC: Asbestos Abatement	
CP&D/NV5/EC: Mine tailings or mining waste rock abatement	
CP&D/NV5/EC: Final Clearance	
CONCEPTUAL DESIGN:	
DT: Concept Design Review Meeting w/HO	
HO signs off on concept design	
SCHEMATIC DESIGN:	
Architect refines concept to create schematic	
DT: Schematic Design Review Meeting w/HO	
HO signs off on schematic design	
DESIGN DEVELOPMENT:	
Interior designer meets w/HO to discuss design	
Designer develops design scope	
ARCH confirms material allowance is w/in limits	
Design Development Meeting (CP&D, HO, ARCH, HP, PW, SAN, NV5)	
HO agrees to pay escrow, if necessary	
HO signs off on final design plan	
CONSTRUCTION DRAWINGS	
Construction Drawings Developed	
Final Construction Drawings Developed	
HO signs off on final construction drawings	

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(Insert Address) : HPC/CC APPROVAL PHASE CHECKLIST

(CP&D/NV5/HP/ARCH responsible for all items on this list)	Date Done
HPC REVIEW/APPROVAL	
Final Construction Drawings to HPC for review	
Staff report for HPC CoA recommendation (HP drafts)	
HPC recommendation	
CC REVIEW/APPROVAL	
Send report to CA to prep resolution	
Prepare Public Hearing Notice to be posted at property	
Prepare Public Hearing Notice for the Newspaper	
Update staff report for CC	
Submit Construction Drawings and report for CC approval	
Obtain CC approval	
Process CoA with approved resolution	
Construction Drawings out to BI for plan review	

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(Insert Address) : GENERAL CONTRACTOR BID PHASE CHECKLIST

(CP&D/NV5 responsible for all items on this list)	Date Done
GC Bid Process:	
Approve Bid Process/Schedule	
Prepare Bid Package (ITBs, Bid Forms, Agreements, Reports, Specs, Surveys, etc)	
Issue Bid Package	
Pre-bid Site Meeting	
Issue Addenda based on questions from Bidders	
Receive Bids	
Public Bid Opening (with checklist)	
Bid Analysis:	
Formulate bid analysis w/cost comparison	
Review bid analysis w/CoBH	
Review bid analysis w/HO	
Get bid clarifications from contractor(s)	
Value Engineering (as necessary)	
Bid Selection:	
Staff report	
Submit Bid Analysis for CC approval	
Obtain CC approval	
Issue Notices of Award (Exterior & Interior)	
Issue Notice(s) of Non-Award	
Issue Notice to Proceed	
Issue Materials Cost Allowance Worksheet (attach if escrow)	
Review Materials Cost Allowance Worksheet	
Homeowner Escrow of Material Upgrade Funds (obtain check, if needed)	
Project Start Up:	
Rehabilitation Grant Agreement signed	
Execute contract w/HO & GC	
Execute contract w/CoBH & GC	
Builders Risk insurance - add HO, CoBH & OR as add'l insured	
Obtain Payment & Performance Bonds	

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(Insert Address) : CONSTRUCTION PHASE CHECKLIST

(CP&D/NV5/HO/OR/GC/ARCH responsible for all items on this list)	Date Done
Pre-Construction:	
Provide Subcontractor List for Contractor Registration & Business License	
Issue Notices to Proceed (Exterior & Interior)	
Issue Temporary Construction Easement Commencement Letter	
Kick-off Meeting (incl Safety Plan discussion)	
Review procedures for pay apps, submittals, RFIs, change orders, sketch logs	
Set up FBO Check Process	
GC pulls building permit	
Obtain Temporary Use permits (if needed)	
Obtain Parking Permits for construction crew	
Active Construction:	
Begin collecting/reviewing pay apps, submittals, RFIs, change orders, sketch logs	
Electrical rough-in "box walk" (if HO wants changes, they pay Change Order)	
Email all Inspection Reports to ARCH, OR, HO, CP&D, NV5	

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(Insert Address) : CLOSE-OUT PHASE CHECKLIST

	Date Done
Construction Close-Out	
Meter Release	
GC creates & completes preliminary punch list	
Obtain Punch list from HO	
Obtain Punch list from ARCH	
Obtain Punch list from NV5	
Obtain Punch list from OR	
Obtain Punch list from CoBH	
HO Signs off on all final Punch List items	
ARCH Signs off on all final Punch List items	
NV5 Signs off on all final Punch List items	
OR Signs off on all final Punch List items	
CoBH Signs off on all final Punch List items	
Certificate of Substantial Completion (Interior)	
Certificate of Substantial Completion (Exterior)	
GC's Affidavit of Payment of Debts & Claims	
NV5/GC/ARCH: O&M Manuals	
NV5/GC/ARCH: As-Builts/Record Drawings	
CP&D/NV5: Submit Retainage Pay Application (incl Final Lien Waivers)	
CP&D/NV5: Advertise for Release of Retention	
CP&D/NV5: Final Payment	
CP&D/NV5: Final Unconditional Lien Release	
Grant Close-Out	
CP&D/NV5: Update Grant Reconciliation Sheets	
CP&D/NV5: Record Preservation Easement Agreement w/City Clerk	
CP&D/NV5: Add City to HO Insurance COI as additionally insured	

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EXHIBIT I

REHABILITATION GRANT AGREEMENT



City of Black Hawk
 Community Planning and Development
 211 Church Street
 P.O. Box 68
 Black Hawk, CO 80422
 Ph: 303-582-0615 / 303-582-2223

Grant No: _____ Project No: _____ <p style="text-align: center;"><i>For Office Use Only</i></p>

**HISTORIC RESTORATION AND COMMUNITY PRESERVATION FUND
 REHABILITATION GRANT APPLICATION**

GENERAL INFORMATION:

Grant Year: _____ Today's Date: _____

Property Street Address: _____

Property Owner(s): _____

Owner(s) Mailing Address: _____

Owner(s) Telephone No.: (H) _____ (W) _____ (Cell) _____

Email Address: _____

Contact Person (if different from owner)

Contact Telephone No.: (H) _____ (W) _____ (Cell) _____

Email Address: _____

Applications can be made by individuals other than the property owners with the owner's written permission (written permission must be signed and notarized on a form "Affidavit of Permission" or 'Power-of-Attorney' provided by the applicant).

Please check the appropriate box of the type of grant you are applying for. Refer to the "Rehabilitation Guide to Programs" for information relating to each program.

PLEASE NOTE: Applicant will need a separate narrative for each component:

- Full Interior Building Rehabilitation Component
- Emergency Only Component
- Radon Mitigation Only Component

Office Use Only. Do not write below this line.

Date Received: _____ Grant No.: _____

HPC Review Date: _____ Board of Aldermen Approval Date: _____

Amount Approved: _____

Comments or Conditions: _____

Authorization Signature: _____ Date: _____

Associated Grant Numbers: _____

PROJECT INFORMATION:

Provide a detailed description of the proposed project (If additional room is needed, attach additional paper). Attach a site plan, photos or any other information relevant to the application:

Process and Procedure

By applying for a grant under the Historic Restoration and Community Preservation Fund Grant Program or Rehabilitation Grant, a Property Owner/Applicant agrees to participate in the City of Black Hawk Historic Preservation Easement Program.

Property Owner/Applicant further agrees to thoroughly review the Rehabilitation Grant Guide to Programs. Property Owner/Applicant understands that although a property is located in the National Historic Landmark District; completion of an application does not guarantee the property is eligible to participate in the Rehabilitation Grant program.

Property Owner/Applicant will be notified by the Community Planning and Development with a decision and the next steps in the program process, if applicable.

Cost Responsibility

Property Owner/Applicant understands and agrees the City will make certain expenditures in reliance, including but not limited to, the creation of architectural plans and civil construction drawings. Applicant therefore agrees:

1. To read the applicable "Historic Preservation Fund Guide to Programs," and fully understand the terms and conditions of the City's program as it relates to the Property.
2. In reliance upon this Application, the City will commence making expenditures to benefit the Property. Applicant/Property Owner agrees to be bound by the terms and conditions contained in the "Historic Preservation Fund Guide to Programs" and to complete the project set forth in the Application. In the event Applicant/Property Owner determines not to proceed with construction of the Project, Applicant/Property Owner shall be responsible for reimbursing the City for actual costs incurred by the City in creating any architectural renderings, plans, civil construction plans, surveying, and any other costs actually incurred by the City in reliance on the Application.
3. The Applicant/Property Owner understands he/she is responsible for paying certain costs set forth above in the event Applicant decides not to proceed with the Project.

Tax Liability

The Grants awarded under the Rehabilitation Grant program are considered income under State and Federal income tax laws.

Any Rehabilitation Grant that is approved by the City will be reported to State and Federal taxing authorities. As part of the Rehabilitation Grant Program and to the extent permitted by law, the City will reimburse Rehabilitation Grant recipients for additional State and Federal taxes paid by recipients that are directly attributable to the disbursement of grant funds, if required documentation is timely filed with the City. [Alternative. Grant recipients may be required to apply for the Colorado Historic Preservation Income Tax Credit.]

Regardless of the City's agreement to reimburse Grant recipients for the initial State and Federal tax burden of a Grant, the obligation to pay any taxes remains the responsibility of the Grant recipient.

Please contact your tax advisor concerning any potential tax liability that you may have as a result of receiving any of the grants described in this program and as the result of the City's reimbursement of your tax liability.

Note that if you sell your property within five years of having received a Rehabilitation grant, you may be liable to repay the city a portion of the grant received and taxes reimbursed.

In accordance with the City of Black Hawk's Resolution 10-2010 Titled: A Resolution amending the City of Black Hawk Community Restoration and Preservation Fund Guide to provide a process for determining payment of Federal potential income tax liability. A copy of Resolution 10-2010 is attached hereto as **Exhibit A**.

For the purpose of determining reimbursement of State of Colorado income tax liability, the City Council further determines that a recipient of a Rehabilitation Grant must elect in writing prior to the receipt of any Rehabilitation grant proceeds whether to seek the Colorado Income Tax Credit for qualifying rehabilitation projects pursuant to C.R.S. § 39-22-514, or whether to apply to the City Manager consistent with C.R.S. §12-47.1-1301, as amended, for the reimbursement of any Colorado Income Tax liability paid as a result of the receipt of the grant.

- I certify that I **WILL NOT** submit an application to the Colorado Historical Preservation Income Tax Credit program, but will apply for reimbursement through the City of Black Hawk.
- I certify that I **WILL** apply for the Colorado Historical Preservation Income Tax Credit through the State of Colorado and understand that **NO** reimbursement will be available from the City of Black Hawk. The most current information on the Colorado Preservation tax credit program can be found at <http://www.historycolorado.org/oahp/preservation-tax-credits>.

I, the Property Owner/Applicant, have read the above information and understand that by voluntarily signing and submitting this Rehabilitation Grant Program application. I am responsible for paying certain costs as set forth above in the event I decide not to proceed with the Project.

Property Owner/Applicant Signature

Date

(INTENTIONALLY LEFT BLANK)

EXHIBIT A
REFERENCED CITY OF BLACK HAWK RESOLUTION 10-2010

SAMPLE

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 10 -2010

**TITLE: A RESOLUTION AMENDING THE CITY OF BLACK HAWK
COMMUNITY RESTORATION AND PRESERVATION FUND GUIDE
TO PROVIDE A PROCESS FOR DETERMINING PAYMENT OF
FEDERAL POTENTIAL INCOME TAX LIABILITY**

WHEREAS, with the adoption of HB 04-1381, a provision of C.R.S. § 12-47.1-1301(3) that prohibited the payment of income tax liability associated with the receipt of a residential grant within the City of Black Hawk was deleted from C.R.S. § 12-47.1-1301(3) for all residential grants awarded on or after May 12, 2004;

WHEREAS, the City Council of the City of Black Hawk desires to provide for payment of federal income tax liability associated with the receipt of a residential grant awarded on or after May 12, 2004, and at the same time protect the confidential financial information of those individuals that may be entitled to such payment pursuant to the Colorado Open Records Act, C.R.S. § 24-72-201, *et seq.*; and

WHEREAS, the City Council of the City of Black Hawk desires to develop a process for paying the federal income tax liability associated with the receipt of a residential grant that is in accord with the law and provides notice to the public of the expenditure of public funds and at the same time protects the privacy interests related to confidential financial information of those individuals receiving such grant funds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. The recipient of a residential grant approved by the City Council pursuant to the City of Black Hawk Community Restoration and Preservation Fund Guide to Programs (the "Grant Program") seeking payment of federal income tax liability shall submit to the City of Black Hawk Finance Department a copy of the documents described hereinbelow in order to qualify for consideration to receive the payment of federal income tax liability associated with the preservation and restoration of the recipient's residential property.

A. A copy of a letter from a Certified Public Accountant or Enrolled Agent specifying the specific federal tax liability amount for the tax year in question associated with the receipt of a grant pursuant to the Grant Program, and

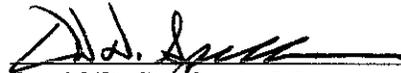
B. A fully executed document in the form attached hereto as **Exhibit A** and incorporated herein by this reference, signed by the grant recipient(s).

Section 2. The City Manager, in coordination and consultation with the Finance Director, shall provide to the City Council a report indicating the total federal income tax liability due grant recipients on a quarterly basis based on receipt of the information set forth in Section 1 of this Resolution, and the City Council shall consider by separate Resolution whether to approve the federal income tax liability for its residential grant program on a quarterly basis. If the City Council approves the payment of federal income tax liability by Resolution, said Resolution will identify the recipients of payment for federal income tax liability, but shall not disclose the amount paid to each recipient.

Section 3. The City Council may also determine to budget a certain amount within the City's annual budget for the payment of such federal income tax liability, and if the amount has been duly budgeted, and the approval of the grant included approval of an amount to be determined for federal income tax liability, the City Manager may approve the expenditure of the federal income tax liability, subject to ratification by the City Council by Resolution in accordance with section 2 of this Resolution, and provided said applicant has provided the necessary documentation as provided in Section 1 of this Resolution.

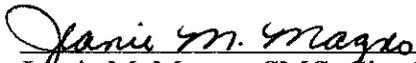
Section 4. For the purpose of determining reimbursement of State of Colorado income tax liability, the City Council further determines that a recipient of a residential grant must elect in writing prior to the receipt of any grant proceeds whether to seek the Colorado income tax credit for qualifying rehabilitation projects pursuant to C.R.S. § 39-22-514, or whether to apply to the City Manager consistent with C.R.S. § 12-47.1-1301, as amended, for the reimbursement of any Colorado income tax liability paid as a result of the receipt of the grant.

RESOLVED AND PASSED this 28 day of April, 2010.



David D. Spellman, Mayor

ATTEST:



Jeanie M. Magno, CMC, City Clerk

Exhibit A

Federal Income Tax Liability

City of Black Hawk
Attn: Finance Director
P.O. Box 68
Black Hawk, Colorado 80422

Dear Sir or Madam:

I (We) have completed our Federal Tax Returns for tax year 20____, and are requesting that the City of Black Hawk issue a check to cover our total federal income tax liability for receipt of the residential grant for my (our) property located at _____ in the amount of \$_____.

I (We) certify that for the Federal Income Tax Return filed for tax year 20____, my (our) total tax liability is \$_____ and my tax liability would have been \$_____ without reporting the grant.

I (We) certify that an application for the Colorado Historical Preservation Income Tax Credit has been submitted and I (we) understand that no reimbursement will be available from the City of Black Hawk for my State income tax liability.

Or

I (We) certify that I (we) will not submit an application for the Colorado Historical Preservation Income Tax Credit and are asking for reimbursement from the City in the amount of \$_____ for my State income tax liability.

I (We) certify that the above information is true and correct. To the extent the information is not correct, I (we) understand that I (we) may be held personally liable to repay all money received hereunder and to pay interest, costs, and attorneys' fees incurred by the City of Black Hawk in collecting such amounts, and that I (we) may also be subject to criminal prosecution.

(Name)

Date

EXHIBIT II

MATERIAL ALLOWANCE LIST

City of Black Hawk - Material Allowance Sheet 2016

Item Description	<Contractor>									Comments
	GC Quantity	GC Unit Cost	GC Total Cost	CoBH Unit Cost	Not to Exceed Limit	Unit of Measure	CoBH Total Cost	Homeowner Unit Cost	Homeowner Total Cost	
Division 5 - Metals										
Exterior Deck Railings - Metal			\$0	\$88.00	N/A	LF	\$0	(\$88.00)	\$0	
Division 6 - Wood and Plastics										
Cabinets (including door/drawer pulls)			\$0	\$351.00	\$18,672.00	LF	\$0	(\$351.00)	\$0	Includes all casework and built-in millwork items, along with the associated hardware (hinges, pulls and drawer guides) (See footnote #1 for calculation)
Cabinetry door/drawer pulls			\$0	\$6.00	N/A	EA	\$0	(\$6.00)	\$0	Includes price of individual pull or knob
Slab Countertops (including slab backsplashes & edge profile)			\$0	\$59.00	\$3,269.00	SF	\$0	(\$59.00)	\$0	Includes associated edge detail and backsplash (if applicable) (See footnote #2 for calculation)
Exterior Decking Material			\$0	\$8.00	N/A	SF	\$0	(\$8.00)	\$0	Pricing based on composite type material
Exterior Deck Railings - Wood/Comp.			\$0	\$36.00	N/A	LF	\$0	(\$36.00)	\$0	
Interior Trim (Base & Case)			\$0	\$6.00	N/A	LF	\$0	(\$6.00)	\$0	Pricing based on PEH Architects Trim Option 3 in Paint Grade Poplar (See footnote #4)
Division 8 - Doors and Windows										
Exterior Door & Frame			\$0	\$1,401.00	N/A	EA	\$0	(\$1,401.00)	\$0	Applies to replacement of existing exterior door & frame. 3'-0" wide exterior door required.
Storm Door & Frame			\$0	\$681.00	N/A	EA	\$0	(\$681.00)	\$0	Based on wood storm door
Interior Door & Frame			\$0	\$293.00	N/A	EA	\$0	(\$293.00)	\$0	Pricing based on 4 panel MDF pre-hung door. (See footnote #3 for Non-Standard Doors)
Exterior Door Hardware			\$0	\$176.00	N/A	EA	\$0	(\$176.00)	\$0	
Interior Door Hardware			\$0	\$88.00	N/A	EA	\$0	(\$88.00)	\$0	
Shower Door			\$0	\$468.00	N/A	EA	\$0	(\$468.00)	\$0	
Division 9 - Finishes										
Flooring			\$0	\$11.00	N/A	SF	\$0	(\$11.00)	\$0	
Carpet & Pad			\$0	\$30.00	N/A	SY	\$0	(\$30.00)	\$0	
Wall Tile			\$0	\$11.00	N/A	SF	\$0	(\$11.00)	\$0	Based on aggregate cost per SF of wall tile, inclusive of edge trim pieces, decorative patterns and transitions
Wallpaper			\$0	\$5.00	N/A	SF	\$0	(\$5.00)	\$0	Applies to replacement of existing wallpaper. Homeowner liable for total cost of wallpaper where it does not exist currently.
Division 10 - Specialties										
Bathroom Accessories			\$0	\$258.00	N/A	Per Bath	\$0	(\$258.00)	\$0	Per bathroom (Towel bars, TP holder, robe hook, shower curtain rod, etc)
Bathroom Mirror/Medicine Cabinet			\$0	\$309.00	N/A	EA	\$0	(\$309.00)	\$0	
Division 15 - Mechanical										
Kitchen Sink			\$0	\$403.00	N/A	EA	\$0	(\$403.00)	\$0	
Kitchen Faucet			\$0	\$293.00	N/A	EA	\$0	(\$293.00)	\$0	
Bathroom Sink			\$0	\$403.00	N/A	EA	\$0	(\$403.00)	\$0	
Bathroom Faucet			\$0	\$234.00	N/A	EA	\$0	(\$234.00)	\$0	
Bath Tub or Shower Enclosure/Pan			\$0	\$760.00	N/A	EA	\$0	(\$760.00)	\$0	Includes shower doors.
Bath Tub/Shower Fixture			\$0	\$234.00	N/A	EA	\$0	(\$234.00)	\$0	
Toilet			\$0	\$293.00	N/A	EA	\$0	(\$293.00)	\$0	
Division 16 - Electrical										
Light Fixtures (Indoor/Outdoor)			\$0	\$176.00	N/A	EA	\$0	(\$176.00)	\$0	Applies to both indoor and outdoor fixtures
Ceiling Fans			\$0	\$293.00	N/A	EA	\$0	(\$293.00)	\$0	1 ceiling fan per room
Total Material Cost			\$0				\$0		\$0	



These material cost allowances do not include costs for installation, shipping/handling, taxes, delivery, contractor markup, etc. Contractor shall include any of these costs and any other incidental costs in line items for labor, general conditions, OH&P, etc. in their bid.

Footnote #1: The cabinetry is not to exceed \$340 per lineal foot. The overall budget for cabinetry is not to exceed \$18,182. Lineal footage costs are based on base cabinets and wall cabinets separately. Utility (or tall) cabinets would qualify for both wall and base cabinet allowances. Measurements should be taken from the back face of the cabinet, meaning that corner cabinets in an "L" shape space would get the measurement for each wall they have contact with.

Footnote #2: The countertops are priced separately than the cabinets. The countertops shall not \$57 per square foot of area (including backsplash). The overall budget for the countertops is not to exceed \$3,173. The inclusion of the backsplash in this item is only when the backsplash is a slab type material, so if the backsplash is tile, the backsplash would then fall under the wall tile allowance.

Footnote #3: Openings that require a non-standard door size and/or style will be evaluated independent of the standard allowance. Non-standard doors should only be the result of code restrictions, historic restraints caused by existing conditions, and manufacturer requirement for best practices in construction.

Footnote #4: Based on current pricing, none of the Program's standard trim options fall within the allowance provided. Therefore the allowance has been adjusted to allow for the basic trim options to be installed without the need for escrow.

Material Allowance Sheet will be reviewed on a yearly basis and re-evaluated according to material price increases.



EXHIBIT III

REHABILITATION GRANT PROGRAM APPLICATION

**HISTORIC RESTORATION AND COMMUNITY PRESERVATION FUND
REHABILITATION GRANT PROGRAM AGREEMENT**

**THIS HISTORIC RESTORATION AND COMMUNITY PRESERVATION FUND
REHABILITATION GRANT PROGRAM AGREEMENT** (the “*Agreement*”) is made as of the

_____ day of _____

_____, 20_____, (the “*Effective Date*”) by and between the **CITY OF BLACK
HAWK**, a municipal corporation organized and existing under the laws of the State of Colorado
(the “*City*”) and **(Insert Applicant)** (the “*Property Owner*”) whose property address is **(Insert
Property Address)**.

RECITALS

- A.** The City has made certain proceeds of the Historic Restoration and Community Preservation Fund, available for the purpose of rehabilitating historic properties in the City of Black Hawk, when owners agree to use the funds in accordance with agreed upon specifications (the “*Rehabilitation Grant Program*”).
- B.** The Property Owner, who is the owner of a structure located at **(Insert Property Address)**, **Black Hawk, Colorado 80422**, (the “*Property*”) submitted an application under the Grant Program.

AGREEMENT

NOW, THEREFORE, in consideration of the above Recitals and the mutual covenants contained herein, the City and the Property Owner hereby agree as follows:

- 1. Grant / Emergency Grant.**

1.1 Award. The City hereby agrees to reimburse Property Owner for work performed in compliance with this Agreement, an amount up to \$(**Insert Award Amount without Escrow Account funds**) (the “Award”) for the restoration and preservation of the Property.

1.2 Tax Payment. Receipt of the Rehabilitation Grant is taxable income to the recipient. To the extent permitted by law, the City hereby agrees to reimburse Property Owner for personal state and federal income taxes owed by Property Owner that are directly attributable to funds disbursed under the Award (the "Tax Burden"). By the due date established by the City, Property Owner shall provide evidence of the Tax Burden that is satisfactory to the City, in its sole discretion, prior to any payment of the Tax Burden by the City. In the event that Property Owner requests payment from the City prior to payment of his/her taxes, the City shall pay the Property Owner directly. In the event that Property Owner pays the Tax Burden him/herself and requests a reimbursement from the City, the City shall make such payment directly to the Property Owner. Property Owners may seek partial reimbursement for state income tax liability through the Colorado Historic Preservation Income Tax Credit, based on fund availability and subject to approval. [Alternative addition: If the Colorado Historic Preservation Income Tax Credit is available and if the Property Owner qualifies for it, the Property Owner must apply for it. The City of Black Hawk will only reimburse Property Owners for their state income tax liability, net of the Colorado Historic Preservation Income Tax Credit that could have been claimed.]

1.3 Owner's Representative Payment. The City hereby agrees to reimburse Property Owner for all Owner's Representative fees incurred on the project, provided that the Owner's Representative is a third party Owner's Representative consulting firm or individual hired to perform the Owner's Representative tasks and that such individual or firm is not the homeowner themselves, related to the homeowner, or an employer of someone related to the homeowner.

1.4 Escrow Payment. Property Owner agrees to provide payment to be held in an escrow account for all portions of the project that are above and beyond the Grant Program allowances. Property Owner deposits the Estimated Reimbursement Amount into a non-interest bearing escrow account payable to the City of Black Hawk upon execution of the Trade Contractor Agreement between the Contractor and Property Owner. If upon completion of the Restoration and Preservation project and final payment to all Contractors there are any remaining funds from the Estimated Reimbursement Amount, those funds shall be returned to the Property Owner. Property Owner is responsible for providing the City of Black Hawk invoices for work to be processed from escrow account. Each invoice shall contain sufficient detail regarding work that has been done, or will be performed, for each aspect of the Project. The invoice shall also relate directly to the escrow items outlined on the original proposal or bid provided to the Property Owner by the Contractor. When the invoice is considered complete and payable, the City of Black Hawk will write the check for the invoice amount directly to the Property Owner within two (2) weeks of this determination. The Property Owner agrees to and is responsible for the disbursement of these funds by directly endorsing the check over to the Contractor in an FBO (For the Benefit Of) format to include the company name of the Contractor for the project. By depositing funds into a non-interest bearing City of Black Hawk escrow account, the Property Owner understands the process for payment to the Contractor for the contracted work, and agrees to not defraud the City of Black Hawk or the Contractor during any part of the escrow payment process. The accepted allowances included in this Agreement are:

- a. (Insert alternates, if any)

2. **Agreement, Acknowledgement and Representation by Property Owner.** The Property Owner hereby agrees with, and acknowledges and represents to the City that:

2.1 Review of Documents. The Property Owner (a) has read this Agreement and the applicable “Historic Restoration and Community Preservation Fund Guide to

Programs,” (b) fully understands the terms and conditions of the grant as set forth therein, and (c) agrees to be bound by those terms and conditions.

2.2 Failure to Comply. Any failure by the Property Owner to comply with the terms and conditions of this Agreement shall terminate the Property Owner’s right to any Award payments.

2.3 No Liability. The City nor the Owner’s Representative shall be in no manner liable to the Property Owner for any monies expended by the Property Owner in connection with the Grant Program, whether or not the Property Owner is actually paid any funds from the Award.

3. **Undertaking.** The Property Owner will undertake the construction of improvements and other repairs of the Property approved by the City in a timely manner (the “**Project**”). The Property Owner has twelve (12) months to complete the Project, which time period shall begin upon the issuance of a building permit or upon disbursement of the first payment from the Award by the City to begin the Project.

4. **Conditions Precedent to Disbursement of Funds.** Subject to Section 4 hereof, funds from the Award shall be disbursed to the Property Owner upon satisfaction of:

4.1 Evidence of Construction Costs. The Property Owner shall provide the City, or its designee, all invoices, paid statements, building permits and such other supporting documents or certifications of the Property Owner evidencing the reasonableness and the appropriateness of the cost of the construction amount as the City, or its designee, may reasonably require.

4.2 Building Permit. If required by the nature of the rehabilitation of the Property as determined by the City in its sole discretion, the City, or its designee, shall be provided with a copy of the building permit issued by the City’s Chief Building

Official for the Project, which shall be in such form and with such content as the City, or its designee, may reasonably require.

4.3 Other Documents or Requirements. The Property Owner shall provide the City, or its designee, such other documents as may be required by the City, or its designee, in its sole discretion to satisfy the requirements of this Agreement.

4.4 Completion of Improvements. The Project shall have been satisfactorily completed in accordance with the City's Grant Program guidelines and design standards, as determined by the City or its designee, in its sole discretion, on or before twelve (12) months after the issuance of the building permit if required by the City, or on or before twelve (12) months after the first disbursement is made to the Property Owner, whichever date comes first.

5. Disbursement.

5.1 Grant Disbursement. The Property Owner is responsible for providing the City invoices for work on the Project. Each invoice shall contain sufficient detail regarding work that has been done, or will be performed, for each aspect of the Project. The invoice shall also relate directly to the items outlined on the original proposal or bid provided to the Property Owner by the Contractor and/or Owner's Representative Consultant. When the invoice is considered complete and payable, the City will write the check for the invoice amount directly to the Property Owner within two (2) weeks of this determination. The Property Owner is then responsible for the disbursement of these funds directly to the Contractor and/or Owner's Representative.

5.2 Emergency Grant Disbursement. The Property Owner is responsible for providing the information as described **5.1 above** except that the City shall be notified of the emergency within 14 calendar days (upon discovery) of the date of the emergency and the grant application shall be submitted within 45 calendar days of the date of the emergency. **IF THE APPLICATION FOR AN EMERGENCY GRANT IS NOT RECEIVED BY THE**

BLACK HAWK PLANNING DEPARTMENT FROM THE OWNER WITHIN THE TIME SPECIFIED HEREIN, THE APPLICATION SHALL BE DENIED BY THE PLANNING DEPARTMENT AS UNTIMELY.

6. **Termination of the Award.** In the event the Property Owner fails to satisfy the conditions precedent set forth in Section 4 hereof on or before, _____, 20____ (The "***Termination Date***"), the Property Owner's right to be paid the Award or any portion thereof shall automatically terminate.

7. **Sale or Transfer of Property.**

7.1 Reimbursement. In the event the amount of the Award plus the Tax Burden (the "***Combined Amount***") set forth in Section 1 exceeds fifty thousand dollars (\$50,000.00) and the Property Owner sells or transfers the Property within five years of the Effective Date, the Property Owner shall reimburse the City the amount of the Combined Amount less an amount equal to one-sixtieth of the amount of the Combined Amount for each full month occurring between the date of this Agreement and the date of the sale or transfer of the Property (the "***Reimbursement Amount***").

7.2 Security. In the event that Property Owner seeks to sell or transfer the Property within five years of the Effective Date and Property Owner has not paid the City the Reimbursement Amount, prior to any sale or transfer Property Owner shall (1) notify the City of the intended sale or transfer; (2) execute a promissory note in favor of the City for the Reimbursement Amount, which shall be calculated as if the Property will be sold on the date of execution of the deed of trust ("***Estimated Reimbursement Amount***"); and (3) execute a deed of trust for the benefit of the City to secure the Estimated Reimbursement Amount. Should the Estimated Reimbursement Amount exceed the actual Reimbursement Amount, the City shall pay the difference back to the Property Owner after the transfer or sale and upon the City's receipt of the Estimated Reimbursement Amount.

7.3 Avoidance of Security Requirement. Property owner need not comply with the requirements of Section 7.2 if prior to the sale or transfer of the Property, Property Owner deposits the Estimated Reimbursement Amount in an escrow account payable to the City upon the sale or transfer of the Property. If upon the sale or transfer of the Property, the Estimated Reimbursement Amount exceeds the actual Reimbursement Amount, the difference shall be returned to the Property Owner.

8. **Non-Transferable.** The rights granted to the Property Owner herein are non-transferable and may not be transferred or assigned. Any attempted transfer or assignment shall automatically be deemed to be null and void and shall be grounds for termination of this Agreement.

9. **Notices.** All notices required or permitted under this Agreement shall be deemed given upon personal delivery by hand to the authorized representatives of either the Property Owner or the City or three (3) days after being sent by certified mail, return receipt requested, postage prepaid, addressed to the respective party at its mailing address below:

If to the City: City of Black Hawk
P.O. Box 68
Black Hawk, CO 80422
ATTN: Planning and Development Department

If to the Property Owner: **(Insert Applicant Contract Information)**

Each Party may change its or his/her address as set forth herein by written notice to such effect directed to the other party.

10. **Miscellaneous:**

10.1 **Amendments and Supplements:** This Agreement may not be amended, modified or supplemented in any manner except by a written agreement executed by both the City and the Property Owner.

- 10.2 Severability.** In the event any provision of this Agreement is deemed to be illegal, invalid or unenforceable by a court of competent jurisdiction, such provisions shall not affect the remainder thereof.
- 10.3 Standard of Approval.** Where within this Agreement, the approval of the City or its designee is required or permitted, the City or its designee may grant or withhold its approval or its consent in its sole, absolute and uncontrolled discretion.
- 10.4 Waiver.** The waiver by the City, or its designee, of any failure by the Property Owner to comply with any of the terms and conditions of this Agreement must be in writing and in any event shall not be deemed to be a waiver of any subsequent failure of the Property Owner to comply with the terms or conditions of this Agreement.
- 10.5 Time of the Essence.** Time is of the essence in the performance of each and every term and condition of this Agreement by the parties hereto.
- 10.6 Governing Law.** This Agreement, its construction, validity and effect, shall be governed and construed by and in accordance with the laws of the State of Colorado.

IN WITNESS WHEREOF, the Property Owner and the City have executed this Agreement on the date first above written.

CITY OF BLACK HAWK, a municipal corporation organized and existing under the laws of the State of Colorado

CITY OF BLACK HAWK

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

APPROVED AS TO FORM:

Corey Y. Hoffmann, City Attorney

PROPERTY OWNER
(Insert Applicant Information)

By: _____
Property Owner

STATE OF COLORADO)
)ss.
COUNTY OF _____)

The foregoing instrument was subscribed, sworn to, and acknowledged before me this
___ day of _____, 2016, by _____.

My commission expires: _____

(S E A L)

Notary Public

EXHIBIT IV

REHABILITATION GRANT HOME PROGRAM OUTLINE



City of Black Hawk

Community Planning and Development
211 Church Street
P.O. Box 68
Black Hawk, CO 80422
Ph: 303-582-0615 Fax: 303-582-2239

REHABILITATION GRANT – HOME PROGRAM OUTLINE

DATE: _____

OWNERS: _____

PROPERTY ADDRESS: _____

A. HOUSE INFORMATION:

Year home was built: _____

Additions on House: _____

Date Addition was added: _____

Approximate Square Footage of Home: _____

Floors: _____

House Occupied: YES NO

Will Owner empty house and live elsewhere during construction: YES NO

Approximate Renovation Start Date: _____

B. REASONS OWNER IS REQUESTING RENOVATIONS TO HOUSE

Rodent Infestation: _____

Mold in House. Locations: _____

Hazardous (lead paint, asbestos, radon, etc.): _____

Electrical System. Condition: _____

Plumbing System. Condition: _____

Interior Historic Elements. Description & Condition: _____

Heating System. Condition & Type: _____

Kitchen Cabinets. Condition: _____

Kitchen Countertops. Condition: _____

Floors. Condition & Types: _____

EXHIBIT V

REFERENCED CITY OF BLACK HAWK RESOLUTIONS

Resolution No. 10-2010

A Resolution amending the City of Black Hawk Community Restoration and Preservation Fund to provide a process for determining payment of Federal potential Income Tax Liability.

Resolution No. 19-2013

A Resolution establishing a contingency on Public Improvement projects to be managed at the City Manager's discretion.

Resolution No. 3-2014

A Resolution establishing a contingency on Grant Projects under the Community Restoration and Preservation Fund Grant Program to be managed at the City Manager's discretion.

Resolution No. 13-2016

A Resolution temporarily rebating City Sales tax on retail items delivered to City residential properties for personal consumption and use.

Resolution 14-2016

A Resolution temporarily rebating City Use Tax on construction and building materials for residential projects within the City's National Historic Landmark District.

STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK

Resolution No. 10-2010

TITLE: A RESOLUTION AMENDING THE CITY OF BLACK HAWK COMMUNITY RESTORATION AND PRESERVATION FUND GUIDE TO PROVIDE A PROCESS FOR DETERMINING PAYMENT OF FEDERAL POTENTIAL INCOME TAX LIABILITY

WHEREAS, with the adoption of HB 04-1381, a provision of C.R.S. § 12-47.1-1301(3) that prohibited the payment of income tax liability associated with the receipt of a residential grant within the City of Black Hawk was deleted from C.R.S. § 12-47.1-1301(3) for all residential grants awarded on or after May 12, 2004;

WHEREAS, the City Council of the City of Black Hawk desires to provide for payment of federal income tax liability associated with the receipt of a residential grant awarded on or after May 12, 2004, and at the same time protect the confidential financial information of those individuals that may be entitled to such payment pursuant to the Colorado Open Records Act, C.R.S. § 24-72-201, *et seq.*; and

WHEREAS, the City Council of the City of Black Hawk desires to develop a process for paying the federal income tax liability associated with the receipt of a residential grant that is in accord with the law and provides notice to the public of the expenditure of public funds and at the same time protects the privacy interests related to confidential financial information of those individuals receiving such grant funds.

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A. A copy of a letter from a Certified Public Accountant or Enrolled Agent specifying the specific federal tax liability amount for the tax year in question associated with the receipt of a grant pursuant to the Grant Program, and

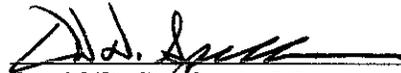
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Section 2. The City Manager, in coordination and consultation with the Finance Director, shall provide to the City Council a report indicating the total federal income tax liability due grant recipients on a quarterly basis based on receipt of the information set forth in Section 1 of this Resolution, and the City Council shall consider by separate Resolution whether to approve the federal income tax liability for its residential grant program on a quarterly basis. If the City Council approves the payment of federal income tax liability by Resolution, said Resolution will identify the recipients of payment for federal income tax liability, but shall not disclose the amount paid to each recipient.

Section 3. The City Council may also determine to budget a certain amount within the City's annual budget for the payment of such federal income tax liability, and if the amount has been duly budgeted, and the approval of the grant included approval of an amount to be determined for federal income tax liability, the City Manager may approve the expenditure of the federal income tax liability, subject to ratification by the City Council by Resolution in accordance with section 2 of this Resolution, and provided said applicant has provided the necessary documentation as provided in Section 1 of this Resolution.

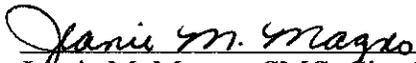
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RESOLVED AND PASSED this 28 day of April, 2010.



David D. Spellman, Mayor

ATTEST:



Jeanie M. Magno, CMC, City Clerk

Exhibit A

Federal Income Tax Liability

City of Black Hawk
Attn: Finance Director
P.O. Box 68
Black Hawk, Colorado 80422

Dear Sir or Madam:

I (We) have completed our Federal Tax Returns for tax year 20____, and are requesting that the City of Black Hawk issue a check to cover our total federal income tax liability for receipt of the residential grant for my (our) property located at _____ in the amount of \$_____.

I (We) certify that for the Federal Income Tax Return filed for tax year 20____, my (our) total tax liability is \$_____ and my tax liability would have been \$_____ without reporting the grant.

I (We) certify that an application for the Colorado Historical Preservation Income Tax Credit has been submitted and I (we) understand that no reimbursement will be available from the City of Black Hawk for my State income tax liability.

Or

I (We) certify that I (we) will not submit an application for the Colorado Historical Preservation Income Tax Credit and are asking for reimbursement from the City in the amount of \$_____ for my State income tax liability.

I (We) certify that the above information is true and correct. To the extent the information is not correct, I (we) understand that I (we) may be held personally liable to repay all money received hereunder and to pay interest, costs, and attorneys' fees incurred by the City of Black Hawk in collecting such amounts, and that I (we) may also be subject to criminal prosecution.

(Name)

Date

STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK

Resolution No. 19 -2013

TITLE: A RESOLUTION ESTABLISHING A CONTINGENCY ON PUBLIC IMPROVEMENT PROJECTS TO BE MANAGED AT THE CITY MANAGER'S DISCRETION

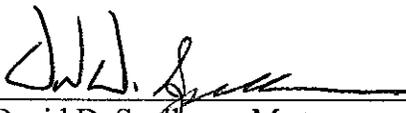
WHEREAS, Article IX of Chapter 1 of the Black Hawk Municipal Code sets forth procedures for the awarding of contracts for public improvements; and

WHEREAS, in furtherance of the awarding of contracts for public improvements as authorized by Article IX of Chapter 1 of the Black Hawk Municipal Code, the City Council desires to authorize the City Manager to manage the contingency in a fixed amount of ten percent (10%) for any such contract, without having the contingency specifically awarded to the successful contractor.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. The City Council hereby directs that the City Manager is authorized to manage a contingency in the amount of ten percent (10%) for any City contract for the design and/or construction of public improvements, without the need or requirement that the City Council specifically add such contingency to the award of the contract. Nothing in this Agreement shall preclude or prevent the City Manager from seeking City Council approval for any change orders, notwithstanding the authority granted by this Resolution.

RESOLVED AND PASSED this 24 day of April, 2013.



David D. Spellman, Mayor

ATTEST:



Jeanie M. Magno, CMC, City Clerk

STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK

Resolution No. 3-2014

TITLE: A RESOLUTION ESTABLISHING A CONTINGENCY ON GRANT PROJECTS UNDER THE COMMUNITY RESTORATION AND PRESERVATION FUND GRANT PROGRAM TO BE MANAGED AT THE CITY MANAGER'S DISCRETION

WHEREAS, in furtherance of the awarding of contracts for public improvements as authorized by Article IX of Chapter 1 of the Black Hawk Municipal Code, the City Council has previously authorized the City Manager to manage the contingency in a fixed amount of ten percent (10%) for any such contract, without having the contingency specifically awarded to the successful contractor; and

WHEREAS, the City Council desires to include within such authorization grant projects under the Community Restoration and Preservation Fund Grant Program.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. In addition to the previous authorization given to the City Manager for management of design and/or construction of public improvement projects, the City Council further directs that the City Manager is authorized to manage a contingency in the amount of ten percent (10%) for any grant projects under the Community Restoration and Preservation Fund Grant Program without the need or requirement that the City Council specifically add such contingency to the award of the contract. Nothing in this Agreement shall preclude or prevent the City Manager from seeking City Council approval for any change orders, notwithstanding the authority granted by this Resolution.

RESOLVED AND PASSED this 12 day of February, 2014.



David D. Spellman, Mayor

ATTEST:



Jeanie M. Magno, CMC, City Clerk

STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK

Resolution No. 13-2016

**TITLE: A RESOLUTION TEMPORARILY REBATING CITY SALES TAX ON
RETAIL ITEMS DELIVERED TO CITY RESIDENTIAL PROPERTIES FOR
PERSONAL CONSUMPTION AND USE**

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF BLACK HAWK, COLORADO, THAT:

Section 1. The Mayor and Board of Aldermen hereby resolve to temporarily rebate City sales tax on retail items delivered to City residential properties from out of City vendors for personal consumption and use, including the amount paid to the Gilpin County School District RE-1, for a total rebate amount of five and one-half percent (5.5%), subject to the following conditions:

- A. Said rebate shall only be provided to City residents who can provide proof in the form of a receipt that such sales tax was actually paid;
- B. Said receipt shall be submitted to the City for the rebate during the same calendar year in which the sales tax was paid or within thirty (30) days of delivery, whichever is later; and
- C. Said rebate shall expire on April 2, 2018.

RESOLVED AND PASSED this 24th day of February, 2016.



David D. Spellman, Mayor

ATTEST:



Melissa A. Greiner, City Clerk



STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK

Resolution No. 14-2016

TITLE: A RESOLUTION TEMPORARILY REBATING CITY USE TAX ON CONSTRUCTION AND BUILDING MATERIALS FOR RESIDENTIAL PROJECTS WITHIN THE CITY'S NATIONAL HISTORIC LANDMARK DISTRICT

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. The Mayor and Board of Aldermen hereby resolve to temporarily rebate City use tax of four percent (4%) on construction and building materials for projects which require a building permit for which use tax on construction and building materials is imposed, on those residential properties located within the City's National Historic Landmark District. Said rebate shall expire on April 2, 2018.

RESOLVED AND PASSED this 24th day of February, 2016.



David D. Spellman, Mayor

ATTEST:



Melissa A. Greiner, City Clerk



EXHIBIT VI
FUNDING MATRIX

FUNDING MATRIX

<u>Scope of Work</u>	<u>Preservation Easement</u>	<u>Rehabilitation Grant</u>	<u>Comments</u>
Excavation	✓		
Necessary Tree Removal	✓		
Historic Rock Wall Repairs	✓		
Historic Fencing	✓		
Outbuildings	✓		
Foundation Systems	✓		
Perimeter Foundation Drainage	✓		
Subfloor Repair	✓		
Exterior Doors and Hardware	✓		
Exterior Windows and Hardware	✓		
Skylights (if existing)	✓		
Exterior Siding and Trim	✓		
Exterior Appurtenances	✓		
Roofing	✓		
Sheet Metal and Flashing	✓		
Downspouts and Gutters	✓		
Site Utilities	✓		
Landscaping - Limited	✓		As allowed per Preservation Easement Guide to Programs
Chimney	✓		
Fireplace		✓	Must have doors installed to prevent heat loss and drafts – Rehabilitation Grant applies to fireplaces only if this is the sole heating source
Outdoor Lighting Replacement	✓		
Reversal of Inappropriate Alterations or Additions	✓		
Reconstruction/Restoration of Original Exterior Architectural Details	✓		
Interstitial Floor and Ceiling Systems		✓	
Roof Framing Systems/Roof Replacement	✓		
Exterior Wall Construction	✓		
Interior Wall Finishes		✓	
Interior Ceiling Finishes		✓	
Floor Finishes		✓	
Cabinetry and Hardware		✓	
Trim		✓	

Approved by Resolution 21-2016 on March 23, 2016

<u>Scope of Work</u>	<u>Preservation Easement</u>	<u>Rehabilitation Grant</u>	<u>Comments</u>
Interior Doors and Hardware		✓	
Countertops		✓	
Backsplash		✓	
Shower and Bath Accessories		✓	
Kitchen Fixtures		✓	
Bathroom Fixtures		✓	
Hose Bibs		✓	
Heating Systems		✓	
Ventilation Systems		✓	
Interior Rough MEP Utilities	✓		
Interior Trim MEP Utilities		✓	
BBQ Gas Line	✓		
Interior Lighting		✓	
Exterior Lighting	✓		
Ceiling Fans		✓	
Fire and Carbon Monoxide Detection		✓	
Radon Mitigation Systems	✓	✓	Rehabilitation Grant, if not included in a complete Rehabilitation with a Preservation Easement.