

# YPSILANTI DDA BUILDING REHABILITATION AND FAÇADE PROGRAM

## Application Checklist

Please provide information for the following items. Refer to Application Packet for description of requested materials.

1. Applicant Information \_\_\_\_\_
2. Project Information \_\_\_\_\_
3. Project Description \_\_\_\_\_
4. Building Information \_\_\_\_\_
5. Signed Application Form \_\_\_\_\_
6. Other Required Documentation \_\_\_\_\_
  - A. Property deed with legal description \_\_\_\_\_
  - B. Proof that all property taxes are paid and current \_\_\_\_\_
  - C. Proof of property and liability insurance \_\_\_\_\_
  - D. Copies of any leases associated with property \_\_\_\_\_
  - E. Two contractor quotes for total façade project \_\_\_\_\_
  - F. Photographs of proposed project site \_\_\_\_\_
7. Attachment Two \_\_\_\_\_
8. Attachment Three \_\_\_\_\_
9. Attachment Four \_\_\_\_\_
10. Attachment Five \_\_\_\_\_
11. Building Rehabilitation Agreement \_\_\_\_\_

# **YPSILANTI DDA BUILDING REHABILITATION AND FACADE PROGRAM**

## **PURPOSE**

As a fundamental goal of the Ypsilanti Downtown Development Authority (YDDA), the YDDA has determined that it is in the best interest of the public to halt property value deterioration, to eliminate that deterioration, enhance the overall appearance, and to promote economic growth and vitality within the Downtown Districts. In response to this stated objective, the YDDA has created the Building Rehabilitation and Façade program to rehabilitate and reuse older buildings in the Downtown Districts. The program is focused on providing financial assistance for upgrading older buildings to meet modern building code and accessibility requirements as well as to create consistency in design, materials and architectural character thereby enhancing the physical appearance of the Downtown. The buildings, once rehabilitated, must make a positive contribution to the overall character and architectural integrity of Downtown Ypsilanti. A successful rehab program will also leverage additional private capital results in continued growth and development within the borders of the DDA.

## **ELIGIBILITY**

A property must be located within the one of the YDDA districts to be eligible. The program is open to both property owners and tenants; however, the owner must sign the Building Rehabilitation and Façade Agreement if the applicant is a tenant. Applicants will be required to complete an application packet provided by the YDDA. The following eligibility criteria also apply:

### **For Building Rehabilitation Grants:**

1. Projects may include exterior façade improvements as part of the total project scope.
2. Projects must maintain or create first floor retail, commercial or professional uses to be eligible for program funding.
3. Program funds can be utilized for interior renovation and construction costs, with an emphasis on barrier free design requirements and/or state and local fire and safety codes.
4. Upon completion of any project the building must meet a basic condition test, which indicates that the property appears to be structurally sound, the roof intact and meets basic public safety codes.
5. The YDDA Grants Design Committee must approve the proposed improvements.
6. Awnings and signs may be eligible expenses under program guidelines, as long as they are part of a comprehensive building rehabilitation project.
7. Only facades abutting public right-of-way are eligible for assistance. Highly visible rear facades will be considered.
8. Building owners and tenants are eligible for the grant program. If a tenant applies for assistance, they must provide written proof that the building owner authorized proposed improvements and evidence of an executed lease for a term equal to the Improvement Agreement.

9. All improvements must acquire Historic District Commission (HDC) approval in order to ensure that all modifications are in accordance with HDC guidelines before any reimbursement can be issued (if applicable).

### For Building Façade Grants

1. Improvements funded through this program must be on any exterior face of the building that is visible from any street, right-of-way, or parking lot.
2. This is a grant program. Money will be distributed after project completion and upon presentation of satisfactory evidence of expenditure/billing and verification that all appropriate permits and approvals have been received.
3. All grant requests must be submitted before any work is started. Work not approved will not be grant-eligible.
4. All applicants must have their proposed improvements reviewed and approved by the Ypsilanti Historic District Commission (HDC) prior to approval (if applicable).
5. The applications will be reviewed by the YDDA Staff and Grants Committee, and presented to the YDDA Board for approval. The decision of the YDDA shall be final and binding.
6. Any changes to the originally approved scope of work must be approved in writing by the YDDA prior to construction. Failure to receive written approval may invalidate the grant award.
7. Building owners or tenants are eligible. If the tenant applies they must provide written proof that the building owner has authorized proposed improvements.
8. Grant applications will be considered for individual projects on single tax parcels. Multiple applications for the same tax parcel in one fiscal year will be only considered if they represent distinct and separate work for separate and individual businesses with their own district business address.
9. Applicants must sign an agreement stating that any improvements paid for with YDDA grant funds must remain intact for at least five years after project completion.
10. Applicant agrees to display signage provided by the YDDA acknowledging our financial support for the project during the façade improvement work.

### Additional Grant Requirements:

1. Applicant must provide proof that all property taxes are current and that the subject property is properly insured.
2. Applicant must provide detailed project financing and cost information and provide proof of available project funding in the form of bank/loan commitment letter(s) or personal equity.
3. Annual program funding will be limited, with projects awarded as funds are available. The YDDA

will make final determinations on individual project eligibility and can reject any application based upon required insufficient program funds.

4. It is preferred that at least two licensed contractor quotes must be submitted, however, the applicant will not necessarily be required to accept the low bidder. If the applicant cannot provide two quotes, a waiver may be asked for (attachment six).
5. A minimum of 5% owner cash equity (of total project costs) will be required for all projects utilizing bank or other public financing.
6. All required municipal or government permits must be obtained prior to construction starting up.
7. Funds will be provided on a draw basis upon completion of work. Executed contracts and/or contractor invoices and proof that all required licenses, permits, and inspections have been received must presented prior to disbursement of program funds.
8. Construction must commence within 90 days of approval for funding, verified by an award letter from the YDDA, and be completed within 120 days after construction start date as verified by the YDDA. Requests for time extensions must be submitted in writing and will only be approved upon the express written consent of the YDDA.
9. Applicant must agree to abide by the items outlined in Attachment Two: Cooperation Agreement.

#### INELIGIBLE USES OF PROGRAM FUNDS

Program funds cannot be utilized for any of the following uses:

1. Refinancing or paying off existing debt.
2. Property acquisition.
3. Site plan, building or sign permit fees.
4. Property appraisal costs, legal fees, or loan origination fees.
5. Labor costs paid to the owner/applicant or relatives of owner/applicant.
6. Building Demolition.
7. Environmental consulting, testing, or actual abatement/clean-up costs
8. Purchase or upgrade of equipment.
9. Routine Maintenance of building as determined by the YDDA.

#### PROGRAM REQUIREMENTS

Applicants will be required to complete an application packet provided by the YDDA. Applications may be obtained at the offices of the YDDA or by calling 734-482-9762. In addition to all required forms, architectural renderings and/or project descriptions must be presented in sufficient detail to demonstrate the exact scope of work. The following items will also be required as a part of the review/approval process:

1. Building Rehabilitation Program funding cannot exceed 50% of total project costs, or \$30,000, whichever is less.

2. Construction must commence within 90 days of approval for funding, verified by an award letter from the YDDA, and the Project must be completed within 120 days after the construction start date as verified by the YDDA. Requests for time extensions must be submitted in writing and will only be approved upon the expressed written consent of the YDDA.
3. After completion of the Project, and for a period of five (5) years thereafter, the Developer, its successors and assignees, agree not to modify or alter the façade of the building without the written permission of the DDA.
4. Any façade alterations first must be reviewed by the Historic District Commission in order to ensure compliance with HDC guidelines (if applicable).

### FINANCING GUIDELINES

Applicants must demonstrate proof of available project funding, whether owner equity or private financing.

Program financing will be in the form of a reimbursement to the property owner/applicant. The reimbursement will be disbursed on a draw basis, under the terms and conditions specified in the Development Agreement.

### APPLICATION & SELECTION PROCESS

YDDA staff will work closely with property owners and tenants to market the program and determine initial eligibility under program guidelines. Once the initial scope of work has been determined, staff will present the project to the YDDA Grants Design Committee. This committee will meet as needed to provide input, make suggestions to scope of work and approve or deny individual projects. Upon preliminary approval by committee, the project will be submitted to YDDA Board of Directors for final approval. Upon approval of the YDDA Board of Directors at a regularly scheduled monthly meeting, an Agreement will be executed and the project can proceed.

#### Selection Criteria

1. Buildings with first floor retail uses or projects, which will result in new commercial occupancy, will receive funding priority.
2. Projects, which will result in the creation or rehabilitation of upper story residential units or loft apartments, will also be considered.
3. Additional criteria that address the economic impacts of the proposed improvement and the overall program goals are included in Attachment Three of this packet.
4. Attachment Two of this packet addresses General Design Guidelines that will govern the evaluation taken by Grants Committee of proposed improvements.

### SOURCE OF PROGRAM FUNDING

The Ypsilanti Downtown Development Authority will provide the funding for the program.

### RIGHTS RESERVED

The YDDA reserves the right to reject any and all applications up to the limit of closing. The specific program

guidelines herein are subject to revision or amendment by the YDDA Board of Directors. The YDDA may discontinue this program at any time, subject to the availability of program funding.

### DEFAULT AND REMEDY

To access program funds, applicants must demonstrate a bona fide commitment to implement building improvements and must certify that construction will commence within 90 days of funding approval, verified by an YDDA award letter, and that the Project will be completed within 120 days of the start of construction as verified by the YDDA. The applicant will be in default if rehabilitation is not undertaken within the specific time period.

In the event of default all program funds applied to the project shall become due and payable, plus collection costs and reasonable attorney fees, if applicable. One or more of the following events shall constitute default:

1. The Owner/Applicant fails to pay, when due, any real estate taxes or special assessments on the subject property.
2. The Owner/Applicant expends program funds for uses other than approved project costs as represented in the original application.
3. If, during a period of five (5) years following the completion of the project, the Owner/Applicant transfers ownership or interest in subject property to another party, unless, such transfer secures the prior written approval of the YDDA.
4. Borrower defaults on private bank loan or other public financing made in conjunction with the DDA Building Rehabilitation Program.
5. After completion of the Project, and for a period of five (5) years thereafter, the Developer, its successors and assigns, agree not to modify or alter the façade of the building without the express written permission of the YDDA

**YPSILANTI DDA  
BUILDING REHABILITATION AND FAÇADE PROGRAM**

**Application Form**

Ypsilanti DDA  
1 S. Huron  
Ypsilanti, MI 48197  
734.4829762

**1. Applicant Information**

Name: \_\_\_\_\_

Business Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Home Address: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**2. Project Information**

Building Location: \_\_\_\_\_

Business(es) Located in the Building: \_\_\_\_\_

\_\_\_\_\_

Building Age/Date Built: \_\_\_\_\_

Current Zoning: \_\_\_\_\_ Building SEV: \_\_\_\_\_

Owner of Record: \_\_\_\_\_

If Leased: Years Left on Lease: \_\_\_\_\_ Renewal Term: \_\_\_\_\_

**3. Project Description**

Describe in detail the proposed scope of work including design firm selected if applicable. In describing the project, be sure to differentiate between interior renovations vs. exterior façade improvements to be undertaken. Use separate sheet in necessary.

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Anticipated Construction

State Date: \_\_\_\_\_ Completion Date: \_\_\_\_\_ Total Project Cost: \_\_\_\_\_

**4. Building Information**

Will the project result in a change of use for the building? Yes \_\_\_\_\_ No \_\_\_\_\_

What will the uses of the building be after the project in completed?

1st Floor: \_\_\_\_\_

2nd Floor: \_\_\_\_\_

3rd + Floor(s): \_\_\_\_\_

**5. Other Required Documentation**

- a. Property deed with legal description of property
- b. Proof that all property taxes are paid and current
- c. Proof of property and liability insurance
- d. Copies of Lease
- e. Project budget
- f. Two (2)-contractor quotes/construction bids for total project
- g. Photographs of proposed project site
- h. Rendering of completed project (for façade only)

I / We certify that all information set forth in this application is a true representation of the facts pertaining to the subject property for the purpose of obtaining funding under the YDDA Building Rehabilitation Program. I understand and acknowledge that any willful misrepresentation of the information contained in this application could result in disqualification from the program, requiring any funds already disbursed to be repaid in full to the YDDA.

The applicant further certifies that he/she has read and understands the YDDA Building Improvement Program Guidelines. If a determination is made by YDDA staff that program funds have not been used for eligible program activities, the Applicant agrees that the proceeds shall be returned, in full, to the YDDA and acknowledges that, with respect to such proceeds so returned, he/she shall have no further interest, right, or claim. It is understood that all YDDA funding commitments are contingent upon the availability of program funds.

The applicant understands that Construction must commence within 90 days of approval for funding, verified by a YDDA award letter, and be completed within 120 days after construction start date, as verified



by the YDDA. Requests for time extensions must be submitted in writing and will only be approved upon the express written consent of the YDDA.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

## ATTACHMENT TWO

### General Design Guidelines

1. 1. Changes to the façade of the buildings will not remove, alter, damage or cover up significant architectural features of the building which are original or which reflect a major alteration that is itself architecturally coherent, or which help create a unified and attractive appearance to the building.
2. Changes to the façade of buildings will either; 1) partially or fully restore to the appearance of the building based on actual evidence, including photographs, written documentation, data on the building or site or other data, or 2) represent a modern treatment which blends into and is compatible with the building and adjoining buildings.
3. In general, the Grants Committee will encourage repair and preservation of existing features of facades, unless alterations to these facades have resulted in an incoherent, unattractive or inharmonious appearance. While encouraging correction of such alterations, the committee will advocate minimal alterations of harmonious features.
4. For facades which have previously been substantially altered and for which a modern treatment is chosen, such a treatment will conform with the features, materials, rhythms, color and general appearance of the building and those adjoining, particularly if the building is one in a row of buildings with identical or similar design features.
5. Paint colors will either be based on original colors obtained from paint samples on the buildings, or be compatible with adjoining buildings and colors on W. Cross Street. Trim colors, which highlight building details, will be encouraged. Spectacular colors will be avoided.
6. The size, color and shape of a sign should complement the building and add to the historic flavor of the area.
7. The surface cleaning of the structures will be undertaken with the gentlest of means possible. Cleaning methods that damage the historic building materials, particularly sandblasting, shall not be undertaken.
8. Any alterations to a building's façade first must obtain consent by the Historic District Commission to ensure that all alterations follow HDC guidelines (if applicable).

I/We certify that I/We have read and understand the above design guidelines.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

**ATTACHMENT THREE (please skip for façade grants)**

Economic Impact

**Please use this sheet to answer the following attach additional sheets as necessary:**

- 1. Project Start Date: \_\_\_\_\_ Completion Date: \_\_\_\_\_
- 2. How will the applicant ensure the project happens in the time projected?
- 3. Will the project increase property and personal taxes?
- 4. Will the project create jobs?  
                                     If so, number of temporary?                      Number of permanent?
- 5. Does the project activate a vacant store front?
- 6. Is the project helping an existing business expand?
- 7. Will the award of this grant help a new business start in the DDA?
- 8. What percentage of the project is the applicant requesting funds for?
- 9. How will the project benefit the DDA district?
- 10. What special factors should the DDA should consider when reviewing this application?

Applicant

Date

\_\_\_\_\_

\_\_\_\_\_

## **ATTACHMENT FOUR (Please skip for Building Rehab Grants)**

Please submit the following information in Exhibit B:

- Color photos of the existing facades.
- Sample materials (glass, cornice detail, trim, colors, etc.).
- Proposed project timeline.
- Letter of permission from the property owner if not the applicant.
- Proof that all applicable taxes are up to date on the property.

### **Eligible Projects:**

The following façade improvements are eligible for grant funding:

- Woodwork and architectural metal repair, cleaning, restoration, painting or replacement.
- Masonry repairs, tuck pointing, or low pressure cleaning.
- Exterior painting.
- Window and door repair, restoration, repainting, or replacement.
- Cornice or parapet repair, restoration, or replacement.
- Awning repair, restoration, or installation.
- Exterior lighting fixtures.
- Exterior lighted and two-dimensional signage.
- Removal of after-installed facades along with restoration of vintage elements.

Project Description:

Applicant

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Date

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## ATTACHMENT FIVE

### Cooperation Agreement for Building Rehabilitation and Facade Program

If the project for which this application is submitted is approved for funding by the Board of Directors of the YDDA, the applicant shall cooperate with the YDDA in furtherance of its fundamental goal of halting property value deterioration, eliminating that deterioration, and promoting economic growth and vitality within the Downtown Development Area by:

- Participating in YDDA sponsored tours of Downtown
- Working with the YDDA on business development programs.
- Committing where possible to uniform store hours
- Participating in downtown promotion
- Design review for any changes to the facade

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Applicant

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Date

## List of Exhibits

Exhibit A – The Project Site

Exhibit B – Design, Description and Cost of Project