



## Downtown Building Rehabilitation Grant

### Purpose

The Roscommon Downtown Development Authority (Roscommon DDA) 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 Roscommon DDA District. To do this, the Roscommon DDA has created the Downtown Building Rehabilitation Program to assist in the rehabilitation and activation of buildings and public spaces in the Roscommon DDA District. This program is focused on providing financial assistance for updating 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 Roscommon DDA District. The buildings, once rehabilitated, must make a positive contribution to the overall character and architectural integrity of the district.

Maximum Grant Amount: \$30,000 (10% Match Required)

### Eligibility

A property must be located within the Roscommon DDA District to be eligible. The program is open to property owners, commercial tenants, and condominium owners; however, the owner must sign the Building Rehabilitation Agreement if the applicant is a tenant. Applicants will be required to complete the application packet, in its entirety, and submit to the Roscommon DDA for review.

The following eligibility criteria also apply:

- All renovations must comply with state and local building codes and safety regulations.
- Projects may include interior and exterior improvements as part of the total project scope
- Projects must maintain or create first floor retail, commercial or professional use.
- 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.
- All required permits must be obtained through the Village of Roscommon prior to construction start. All improvements must be approved in accordance with Village of Roscommon ordinances, including Planning Commission and Historic District Commission, as applicable.
- Awnings and signs may be eligible expenses under program guidelines, as long as they are part of a comprehensive building rehabilitation project.
- Only facades abutting public right-of-way are eligible for assistance. Highly visible rear facades could be considered.



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Additionally, applicant must meet the following requirements as part of the application process:

- Applicant must provide proof that there are no defaults associated with property, verified with a report from the Village of Roscommon Treasurer and the Village of Roscommon Attorney's Office.
- 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.
- 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 considered.
- A minimum of 5% owner cash equity (of total project costs) will be required for all projects utilizing bank or other public financing.
- Applicant must submit architectural renderings and/or project descriptions in sufficient detail to demonstrate the exact scope of the work.
- 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 be presented prior to disbursement of program funds.
- Construction must commence within 180 days of approval for funding, verified by an award letter from the Roscommon DDA. If the construction has not started by the end of the Roscommon DDA fiscal year (June 30) in which the funds are awarded, the applicant must renew their application with an updated report on the financial status of the project. Requests for a time extension must be submitted in writing a minimum of 30 days prior to the expiration date and must be approved by the Roscommon DDA.
- After completion of the project, and for a period of five (5) years thereafter, the applicant, its successors and assignees, agree not to transfer ownership or interest in the subject property.
- After completion of the project, and for a period of five (5) years thereafter, the applicant, its successors and assignees, agree not to modify or alter the façade of the building without the written permission of the Roscommon DDA.
- Applicant must agree to sign a contract detailing the use of the funds in accordance with the program guidelines and approved application.

### Ineligible Uses of Program Funds

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

- Refinancing or paying off existing debt.
- Property acquisition.
- Site plan, building or sign permit fees.
- Property appraisal costs, legal fees, or loan origination fees.
- Labor costs paid to the owner/applicant or relatives of owner/applicant.
- Building demolition.
- Environmental consulting, testing, or actual abatement/clean-up costs.
- Purchase or upgrade of equipment.
- Routine maintenance of building as determined by the Roscommon DDA



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## Additional Guidelines

Funding awarded by the Roscommon DDA cannot exceed 10% of total project costs. The intent of this program is to provide funding for projects that have a gap in funding sources. Projects that can show a concerted effort to secure other funding are given priority. Applicant must submit a pro forma financial statement showing operational costs and the gap in funding that is requested.

Annual program funding will be limited, with projects awarded at the discretion of the Roscommon DDA, as funds are available. The Roscommon DDA will make final determinations on individual project eligibility and reserves the right to reject any application. Funding will be in the form of a reimbursement to the applicant under the terms and conditions specified in the contract.

Any portion of this program is subject to revision or amendment by the Roscommon DDA Board of Directors and may be discontinued at any time.

## 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 the agreed upon time frame. The applicant will be in default if construction is not started within this time period. In the event of default, all program fund applied to the project shall become due and payable, plus collection costs and reasonable attorney fees, if applicable. Once or more of the following shall constitute default:

- Applicant fails to pay, when due, any real estate taxes or special assessments on the subject property.
- Applicant expends program funds for uses other than approved project costs as represented in the original application.
- During a period of five (5) years after completion of the project, the applicant transfers ownership or interest in subject property to another party without the written approval of the Roscommon DDA.
- Applicant defaults on private bank loan or other public financing made in conjunction with this program.
- After completion of the project, and for five (5) years thereafter, the applicant, its successors and assignees, modify or alter the facade of the building without written approval of the Roscommon DDA.



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### Selection Criteria & Considerations

- Buildings with first floor retail uses or projects which will result in new commercial occupancy will receive funding priority.
- Projects which will result in the creation or rehabilitation of upper story residential units will be considered.
- Information provided about the proposed improvements in the Economic Impact section of the application will help determine funding priority.
- Projects that conform to the General Design Guidelines outlined in the application will receive funding priority.

### Application Process

Roscommon DDA staff will work closely with the applicant to determine initial project eligibility for the program and completion of the application with all required attachments. Once eligibility has been established and a complete application is received, staff will present the project to the Roscommon DDA reviewing committee. The committee will provide input, make suggestions for adjustments to the application, and make a recommendation to the Roscommon DDA Board of Directors for approval or denial of the project. Upon approval by the Roscommon DDA Board of Directors, a contract will be executed and the project can proceed.



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Date of Application: \_\_\_\_\_

## 1: APPLICANT INFORMATION

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

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

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

Tax ID#: \_\_\_\_\_

\_\_\_\_\_

Applicant is:  Property Owner  Tenant

Phone: \_\_\_\_\_

Other: \_\_\_\_\_

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

## 2: PROPERTY INFORMATION – Property must be located within the Roscommon DDA

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

Property Codes/Parcel ID#s: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Title Holder: \_\_\_\_\_

Title Holder Address: \_\_\_\_\_

Title Holder Phone: \_\_\_\_\_

\_\_\_\_\_

Original Cost of Property to Title Holder: \$ \_\_\_\_\_

Date Purchased: \_\_\_\_\_

Current Market Value: \$ \_\_\_\_\_

Taxable Value: \$ \_\_\_\_\_ for Year: \_\_\_\_\_

*If there are co-owners of the property, please attach a separate sheet listing each owner's name, address, telephone number and percent of ownership. If you are applying as a tenant of the property, you must attach a letter from the property owner stating permission for program participation and a copy of a fully executed lease.*

## 3: CURRENT LIEN INFORMATION

Mortgage Holder: \_\_\_\_\_

Terms of Payment: \_\_\_\_\_

Original Amount: \$ \_\_\_\_\_

Date of Mortgage: \_\_\_\_\_

Current Balance: \$ \_\_\_\_\_

Date of Maturity: \_\_\_\_\_

Taxing Unit Owed: \_\_\_\_\_

Type of Tax: \_\_\_\_\_

Due Date: \_\_\_\_\_ Amount Delinquent: \$ \_\_\_\_\_ Lien on Property?  Yes  No

*Attach a report from the Village of Roscommon Treasurer and Village of Roscommon Attorney's office verifying no defaults.*

\_\_\_\_\_

\_\_\_\_\_



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**4: BUILDING INFORMATION** – Attach recent photos of all facades, an aerial photo of the property, and photos showing current interior state. The review committee may request a tour of the project during the application process.

Number of floors above grade: \_\_\_\_\_ Year of construction: \_\_\_\_\_

Exterior wall construction:     Solid masonry     Concrete     Steel beam w/ siding material  
 Wood frame     Other: \_\_\_\_\_

Current Use (indicate percentages):

Level	Retail	Office	Residential	Storage	Manufacturing	Other (specify)	Occupied/ Vacant
1							
2							
3							
4							
5+							

## 5: PROJECT INFORMATION

Proposed Start Date: \_\_\_\_\_ Expected Completion Date: \_\_\_\_\_

How will the applicant ensure the project is completed within the projected timeframe?

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Do you plan to restore the storefront to its original design/character?     Yes     No

General Design Guidelines – *Projects that adhere to these guidelines will receive funding priority.*

- Changes to the façade of the building 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.
- Changes to the façade of buildings will either 1.) restore to the appearance of the building based on actual evidence, including photographs, written documentation, data on the building or side or other date, or 2.) represent a modern treatment which blends into and is compatible with the building and adjoining buildings.
- Repair and preserve existing features of facades, unless alterations to these facades have resulted in an incoherent, unattractive, or inharmonious appearance.
- 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



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and those adjoining, particularly if the building is one in a row of buildings with identical or similar design features.

- Paint colors based on original colors obtained from paint samples on the building or be compatible with adjoining buildings and colors. Trim colors which highlight building details.
- The size, color, and shape of a sign should complement the building and add to the historic flavor of the area. All signs must conform to the Village of Roscommon sign ordinance.
- The surface cleaning of the structures will be undertaken with the gentlest of means possible. Avoid cleaning methods that damage the historic building materials.

***Applicant initial here to certify that the above guidelines have been read and understood → \_\_\_\_\_***

Please give a brief yet detailed description of the improvements and scope of work (attach additional pages as necessary). In describing the project, be sure to differentiate between interior renovations versus exterior façade improvements:



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Expected Use After Completion (indicate percentages):

Level	Retail	Office	Residential	Storage	Manufacturing	Other (specify)
1						
2						
3						
4						
5+						

Attach a zoning use approval letter to your application.

## 6: PROJECT FINANCING INFORMATION

Total Estimated Project Cost: \$ \_\_\_\_\_ Amount Requested from Jackson DDA: \$ \_\_\_\_\_

*There is a matching financing requirement for the Downtown Building Rehabilitation Program of at least fifty percent of overall project costs. Matching financing must include at minimum 5% owner cash equity. Please specify below how you intend to finance your project. This program is designed to fill a gap in the applicant's ability to fully finance the project.*

Do you have any other pending grant/loan applications with the Village of Jackson Neighborhood and Economic Operations Department or State of Michigan for this building?     Yes, put details in list below.     No

List all financial sources below. Include any funding for other projects on the building. **How Endorsed, Guaranteed or Secured**    **To be applied to what portion of the building**  
(i.e. façade, interior construction, etc.)

Source of Financing	Amount	Terms of Repayment	Maturity Date	How Endorsed, Guaranteed or Secured	To be applied to what portion of the building (i.e. façade, interior construction, etc.)

Attach a financial proforma statement showing the potential income and operational costs of the building.

## 7: ECONOMIC IMPACT

Will the project increase property and personal taxes? Describe projected increase: \_\_\_\_\_

Will the project create jobs?    # of Temporary Jobs \_\_\_\_\_    # of Permanent Jobs \_\_\_\_\_





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Does the project activate a vacant store front?  Yes  No

Is the project helping an existing business expand? Describe the changes: \_\_\_\_\_

\_\_\_\_\_

Will the funds of this program help a new business start in the Jackson DDA district?  Yes  No

Describe: \_\_\_\_\_

\_\_\_\_\_

What other special factors should the Jackson DDA consider when reviewing this application?

**8: REQUIRED ATTACHMENTS** – *Applications will not be considered until all information is received.*

- Current photos of building exterior facades
- Aerial photo of building site
- Photo of interior state of project site
- Copy of the property deed and mortgage survey or legal description of the property
- Verification of No Default – Report from Village of Jackson Treasurer and Village of Jackson Attorney’s Office
- Proof of property and liability insurance
- Copies of any leases associated with the property
- Copies of approvals/permits received for work to be completed (as cited in Section 5)
- Financial proforma statement showing the potential income and operational costs of the building
- Scaled site drawings
- Zoning use approval letter
- Proof of Funds (as cited in Section 6) – Preapproval letter from lenders, award letters, and bank statements for cash
- If applicant is a tenant - Notarized letter from owner approving the project and copy of executed lease

List any other attachments included:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_



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## 9: APPLICANT CERTIFICATION AND UNDERSTANDING

The undersigned Applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining a Downtown Building Rehabilitation Grant for eligible program uses only and is true and complete to the best of the Applicant’s knowledge and belief. Verification of any of the information contained in this application may be obtained from any source.

The Applicant understands that he or she will be responsible for all closing costs, including but not limited to, recording fees, and title search fees associated with obtaining the funds through the program. It is understood that the Applicant should have the basic elements in place to close on a Roscommon DDA Downtown Building Rehabilitation Grant within 180 days of Roscommon DDA board approval: Project design plans and construction bids must be final and matching financing must be available. It is also understood that projects approved must be completed within approved projected timeframe, unless an extension is submitted and approved by the board.

The Applicant further certifies that he or she has read and understands the Downtown Building Rehabilitation Grant Guidelines, including the additional reporting requirements of the Davis Bacon Act if funding is used towards labor. If a determination is made by the Roscommon DDA that loan proceeds will not or cannot be used of the purposes described herein, the Applicant agrees that the proceeds shall be returned forthwith, in full, to the Roscommon DDA, and acknowledges that, with respect to such proceeds so returned, he or she shall have no further interest, right, or claim. It is understood that all Roscommon DDA loan commitments are contingent upon the availability of program funds.

1. I (we) understand that the submission of this application does not guarantee funding for the Roscommon DDA Downtown Building Rehabilitation Grant.
2. I (we) agree that, if this application is approved, the work described will be completed.
3. I (we) agree that, sealed architectural working drawings will be provided.
4. I (we) agree that, if funding is approved, it will be used for the project listed within this application.
5. I (we) understand that the grant funds from the Roscommon DDA will be provided after project construction has been completed, and after paid invoices and approvals have been submitted to the Roscommon DDA.
6. I (we) understand that failure to comply with the agreed upon construction timeline will result in a retraction of grant funding and elimination of grant eligibility for one year.
7. I (we) understand that the Roscommon DDA reserves the right to photograph buildings receiving façade improvement funds and provide information to various media sources.
8. I (we) the property owner(s) certify that I am (we are) not delinquent in Village, county, state, or federal taxes.
9. I (we) understand that the property may not be in the process of sale during the façade improvement process.
10. I (we) understand that approval of this loan does not guarantee approvals by other Village of Roscommon departments necessary to complete the project. I (we) will obtain any necessary approvals/permits prior to starting work.

Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_

I certify that I am (we are) the property owner of \_\_\_\_\_ and I (we) authorize the applicant to participate in the Roscommon DDA Downtown Building Rehabilitation Grant program and complete the project described in this application.

Owner(s) Signature(s): \_\_\_\_\_

Date: \_\_\_\_\_

### ACKNOWLEDGEMENT OF APPLICATION RECEIVED:

DDA Director: \_\_\_\_\_

Date: \_\_\_\_\_