



**City of Alpena Downtown Development Authority**

**FAÇADE IMPROVEMENT GRANT PROGRAM**

**2011**

**PROGRAM INFORMATION AND MATERIALS**

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**CITY OF ALPENA DOWNTOWN DEVELOPMENT AUTHORITY**

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Greg Sundin  
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**FACADE IMPROVEMENT GRANT PROGRAM**

**1. PROGRAM BACKGROUND**

The City of Alpena Downtown Development Authority (the “DDA”) established its Façade Improvement Grant Program to encourage exterior improvements to existing buildings within its specific Downtown Alpena DDA district in a manner that preserves the unique historical characteristics of those buildings. While the DDA recognizes that it cannot mandate the specific exterior improvements that property owners make to their buildings, the DDA has determined that it can provide interested businesses with a financial incentive in the form of a façade improvement grant to adhere to certain design standards implemented by the DDA *to preserve the original architectural characteristics of our downtown buildings*. The DDA completed a Market Analysis and Downtown Strategic Plan in June 2003 and it identified a façade improvement grant program as an important element in helping to revitalize its downtown business district. The Façade Improvement Grant Program is administered by the DDA’s Design Committee (the “Design Committee”).

**2. BUILDING ELIGIBILITY REQUIREMENTS**

**2.1 – Location and Nature of Building Use.**

Properties located within the legal boundary of Alpena’s DDA district engaging in retail, commercial, entertainment, or office services shall be deemed eligible for grant funding. Any question concerning the eligibility of a specific property may be submitted to the Executive Director of the DDA. A determination of location and building use eligibility will be provided to the interested party within two business days following receipt of the inquiry.

**2.2 – Payment of Taxes and Other Public Accounts.**

All previously billed and currently payable property taxes and annual installments of assessments must be paid in full for the subject property before an application for a façade improvement grant will be considered. Additionally, all City of Alpena accounts in the name of the applicant and/or attaching to the subject property must be current. All taxes, assessments, and other city accounts must be kept current during the application, review, construction, and post-construction processes.

### **2.3 – Nature of Façade.**

Grant funding may be requested for any façade (front, side, or rear) that fronts on a public right of way (street, alley, or public parking lot). Greater consideration for funding will be given to work proposed on a façade fronting a city street.

### **2.4 – Structural Integrity of Building.**

Buildings for which improvements are proposed must have basic structural integrity and an intact roof as confirmed by the City of Alpena Building Department, thereby protecting the DDA’s potential investment in the façade.

### **2.5 – Insurance Coverage.**

The applicant or the owner of the subject property must carry suitable property insurance coverage on the subject property and must provide a certificate of coverage to the DDA with the application. ***The applicant or owner is strongly encouraged to also carry a builder’s risk policy of insurance covering potential damage to the building’s structure by the contractor.***

## **3. INELIGIBLE USES OF GRANT FUNDS**

Façade improvement grant funds ***may not*** be used to fund any of the following:

- 3.0.1** Payment of existing debt;
- 3.0.2** Property acquisition;
- 3.0.3** Interior improvements, equipment, or furnishings;
- 3.0.4** Site plans, building permits, or sign permits;
- 3.0.5** Property appraisals, legal fees, or loan origination fees;
- 3.0.6** Labor costs paid to the owner or applicant or their relatives unless the laborer is a licensed contractor and specific approval is granted as part of the application review process.

## **4. AVAILABLE AWARDS**

### **4.1 – Dollar Limits.**

The Design Committee will award grants under the program in any amount requested from a minimum award of \$500.00 to a maximum award of \$5,000.00.

#### **4.2 – Applicant’s Matching Funds.**

An applicant for a grant must provide an amount matching the grant request (up to \$5,000.00) on a dollar-for-dollar basis. An applicant’s proposed improvement project total may exceed \$10,000.00; however, the DDA’s participation is limited to a maximum grant of \$5,000.00.

#### **4.3 – Discontinuation of Funding.**

The DDA reserves the right to discontinue funding for the Façade Improvement Grant Program at any time. If funding is discontinued, all previously awarded grants will be honored by the DDA.

### **5. PRE-APPLICATION PROCESS**

#### **5.1 – Nature of Applicant.**

A person applying for a façade improvement grant may be either a property owner or a tenant, if the tenant obtains the property owner’s written permission to make the proposed improvements. Applicants may be individuals or business entities.

#### **5.2 – Contact with Executive Director.**

A person interested in applying for a façade improvement grant must contact the Executive Director of the DDA **before any construction work commences** on the proposed project. The potential applicant will be mailed an application packet. **Starting construction work before approval of a grant award will result in ineligibility for a grant.**

#### **5.3 – Pre-Application Meeting.**

The prospective applicant will be asked to set up a time to meet with the Executive Director to review the program guidelines. At this meeting, the Executive Director will provide the prospective applicant with information as to whether the proposed project may fit the guidelines of the program. Any such information provided by the Executive Director and any opinion or suggestions that may be conveyed as to suitability of the project are preliminary only, are not binding on the Design Committee or the DDA, and should not be relied upon by the applicant as a final determination of award status. If it seems at the Pre-Application Meeting that the proposed project may fit the guidelines of the program, the potential applicant will be encouraged to complete the application and return it with the required additional materials.

#### **5.4 – Historical Information.**

Applicants interested in more detailed information concerning historic guidelines

for their potential rehabilitation/renovation projects should request information from the Executive Director as to online or other sources for such material.

## **6. APPLICATION PROCESS**

### **6.1 – Application Contents.**

An application for a façade improvement grant must include all of the following:

- 6.1.1** The completed grant application form, signed by the applicant;
- 6.1.2** A detailed description of the improvements proposed, with justification as to why the improvements meet the DDA’s intent of preserving or enhancing the historical character of buildings in the DDA district;
- 6.1.3** Detailed cost estimates from a minimum of two qualified contractors for the work proposed, and the names, addresses, and telephone numbers of the persons who prepared the estimates;
- 6.1.4** The business name, address, telephone number, and two references for the contractor and any subcontractor(s) the applicant proposes to hire to complete the project;
- 6.1.5** All architectural plans and/or sketches, and all specifications needed to understand the scope of the work proposed;
- 6.1.6** Examples of color schemes and materials proposed for the exterior improvements, including paint, bricks, signage, windows, awnings, etc.;
- 6.1.7** A description of the long-term maintenance plan proposed by the applicant for the building’s exterior once any grant-funded improvements are completed;
- 6.1.8** A list of the federal, state, and local permits required for the proposed work;
- 6.1.9** The property owner’s release of liability and written permission for the work proposed;
- 6.1.10** Written proof in the form of paid receipts or statement of account history that all property taxes, annual installments of assessments, and balances on all City of Alpena accounts (whether in the name of the applicant or owner or attaching to the property) for the subject property have been paid;
- 6.1.11** A certificate of insurance coverage for the subject property;
- 6.1.12** A project schedule detailing the applicant’s expected progress in completing the proposed improvements;
- 6.1.13** Confirmation by the City of Alpena Building Department that the subject building is structurally sound and that the roof is intact;

**6.1.14** Photographs of the building façade proposed for improvements.

**6.2 – Submission of Application.**

The application, including all required materials, must be submitted to the DDA Executive Director. The Executive Director may contact the applicant to request required materials which are not submitted, or to request supplemental materials.

**7. REVIEW PROCESS**

**7.1 – Time of Review.**

The Design Committee will review all complete applications submitted. The Design Committee meets regularly on the last Tuesday of each month to conduct business. All applications for façade improvement grants will be reviewed at regular meetings unless an applicant provides a compelling reason, in the sole discretion of the Design Committee’s chair, for convening a special meeting to consider an application.

**7.2 – Substantive Criteria.**

The Design Committee will evaluate each application based on the following design criteria:

- 7.2.1** The historical accuracy of the design proposal; Applicants are strongly encouraged to contact the City of Alpena’s Historic Preservation Study Committee prior to the submission of an application to discuss details of historic significance that may be involved in the proposed improvements. The Historic Preservation Study Committee may be able to provide photographs or other pertinent information about the subject building to the applicant. The Michigan Room and the staff at the Alpena County Public Library are also a valuable resource;
- 7.2.2** The historical and architectural significance of the subject building;
- 7.2.3** The visual prominence of the subject building and its location within the DDA district;
- 7.2.4** The long-term maintenance plan for the building’s exterior once the proposed improvements are completed.

**7.3 – Historic Preservation Study Committee.**

As part of the review process, the Design Committee may submit the application to the City of Alpena’s Historic Preservation Study Committee to solicit an opinion as to the historical appropriateness of the proposed improvements.

#### **7.4 – Notification of Design Committee Action.**

The applicant will be notified of the Design Committee’s decision to award or deny the requested grant within 14 days subsequent to the Design Committee’s next regular meeting following receipt of the complete application. The Design Committee may postpone action on an application to request further information from the applicant or for any other extended review of the application. If additional information is requested, the applicant shall provide such supplemental information to the Design Committee within 14 days.

#### **7.5 – Rights Reserved.**

The DDA and the Committee reserve the right to deny any or all applications for façade improvement grants. The DDA and the Committee reserve the right to modify or amend the program guidelines at any time deemed necessary by either body. The DDA and the Committee reserve the right to waive any guideline(s) or requirement(s) of the program at any time and for any reason at the sole discretion of the DDA or the Committee, such waivers to be made on a case-by-case basis for extenuating circumstances.

### **8. DENIAL OF APPLICATIONS**

#### **8.1 – Form of Denial.**

Following denial of an application by the Design Committee, the DDA Executive Director shall so notify the applicant in writing, including the text of Paragraph 8.2 below, and stating reasons for the denial as communicated by members of the Committee, including, if applicable:

- 8.1.1** Requests for additional documents or other information which, if submitted by the applicant, may result in a grant award based on a future application; or
- 8.1.2** Suggestions as to changes in the proposed façade improvements which may result in a grant award based on a future application.

In all cases, neither submission of requested documents nor compliance with the suggestions of the Executive Director will automatically result in a grant award, and the Committee reserves the right to deny any and all future applications.

#### **8.2 – Appeal.**

Denial of an application by the Design Committee may be appealed to the DDA. An applicant who desires to appeal a denial must contact the Executive Director to be

placed on the agenda of the DDA's next regular meeting, held on the first Tuesday of each month, and must appear at the meeting to address the DDA. The applicant will be notified within 7 days following the meeting of the DDA's decision to award or deny the requested grant.

## **9. PRE-CONSTRUCTION MEETING**

Following a grant award and prior to the commencement of construction work on the façade improvements, the applicant and the applicant's contractor(s) may be asked to meet with the Executive Director or the Design Committee. This meeting is mandatory for the applicant and contractor(s) if requested by the Design Committee. The purpose of the pre-construction meeting is to:

- 9.0.1** Review the specific improvements and work approved in the application to ensure a clear understanding of the Design Committee's expectations with respect to the historic elements of the project as proposed by the applicant;
- 9.0.2** Discuss the contractor's schedule for any proposed work to determine if the work will occur during or affect any downtown activities such as Riverfest, Friday Nights, the Michigan Brown Trout Festival, holiday parades, or other events;
- 9.0.3** Determine if any special accommodations are required during the work, such as closing sidewalks, placing dumpsters on sidewalks or in parking spaces, etc.;
- 9.0.4** Review the program requirements for approving proposed changes to the scope of work following the award of a grant or the start of construction.

## **10. POST-AWARD AMENDMENTS TO PROJECT**

### **10.1 – Required Materials.**

Following the award of a façade improvement grant, if the applicant desires to make any changes to an approved design, the applicant must submit all of the following materials which may be required by the Design Committee for review of the proposed changes:

- 10.1.1** A letter requesting a review of the changes proposed, including any requested increase in the amount of the original grant (for original grants less than \$5,000.00 only);
- 10.1.2** A detailed description of the changes proposed;
- 10.1.3** A detailed cost estimate from the applicant's contractor for the changes proposed, if the applicant seeks an increased grant amount;
- 10.1.4** All architectural plans and/or sketches, and all specifications needed to understand the scope of the changes proposed;
- 10.1.5** Examples of color schemes and materials proposed for changes in the exterior improvements, including paint, bricks, signage, windows, awnings, etc.;
- 10.1.6** A description of the long-term maintenance plan for the changes proposed, if the plan differs materially from the original application;
- 10.1.7** A list of any required federal, state, or local permits not listed in the original application;
- 10.1.8** The property owner's written permission for the changes proposed, if the applicant is a tenant and the changes proposed differ materially from the original application;
- 10.1.9** A project schedule detailing expected progress in completing the changes proposed, if the schedule differs materially from the original application.

Before submitting an application for review of the changes proposed, the applicant must contact the Executive Director for a determination of which of the above listed materials will be required by the Design Committee for review of the changes proposed.

## **10.2 – Construction of Proposed Changes in Design.**

No construction work on proposed changes to a previously approved design may commence until approval of the proposed changes is granted by the Design Committee.

***NOTE: Failure to obtain approval for any changes in design undertaken after awarding of the original grant will result in the disqualification of the applicant from the program and the loss of the entire grant funding.***

## **10.3 – Time of Review.**

The Design Committee will approve or deny the proposed design changes within 14 days after receipt of all required review materials.

## 11. PROJECT INSPECTIONS

Upon award of a grant, the applicant agrees to provide access to the applicant's building to the Design Committee's representative during and after construction for the purpose of inspecting the work as it relates to the proposal. It is not the intent of the DDA or the Design Committee to act as a building inspector during the course of the project. As such, the Design Committee's representative will not confer with or advise the contractor of construction deficiencies or code violations during the course of construction. If, during any visit to the site, an issue of construction deficiency or non-compliance with building code is noted by the Design Committee's representative, the applicant will be immediately advised of the problem in writing. The applicant shall be required to respond to the Executive Director within 24 hours to provide an explanation for the problem and to adequately describe all remedial actions.

***NOTE: Failure to take timely and suitable remedial actions, in the sole determination of the Design Committee, may result in the disqualification of the applicant from the program and the loss of the entire grant funding.***

Applicants and contractors are not relieved from their duties to have all construction work duly and timely inspected by proper building authorities as required by law.

## 12. DISBURSEMENT OF GRANT FUNDS

### 12.1 – Time for Project Completion.

Construction work on the façade improvement project must be complete within 180 days following written notification of the grant award, unless a written extension is specifically requested and approved by the Design Committee due to extenuating circumstances.

### 12.2 – Final Inspection.

Upon completion of construction, the applicant must contact the Executive Director to arrange to have the completed work inspected for compliance with the project proposal, drawings, and other materials submitted with the application.

### 12.3 – Applicant's Final Payment Request.

Upon completion of construction, the applicant shall submit a final request for full payment of the grant funds, in the form of a contractor's invoice. The final payment request shall include photographs of the as-constructed façade improvements, and

proof in the form of a receipt, lien waiver, or written statement from the contractor stating that the applicant has paid the contractor in full for the applicant's matching share of the project's construction costs or is otherwise current in the applicant's payments to the contractor under an installment payment plan.

**12.4. – Compliance with Approved Design.**

If, during the final inspection, the work is found to be in compliance with the approved design proposal and the program requirements, the DDA shall pay the grant funds to the contractor within 30 days following the final inspection or the applicant's submission of a final request for payment, whichever is later.

**12.5 – Non-Compliance with Approved Design or Program Guidelines.**

If, during any site visit by a representative of the DDA, any of the construction work is found to be in non-compliance with the approved design proposal or the program requirements, the Executive Director will notify the applicant in writing within three business days, describing all areas of non-compliance. After receipt of the notification, the applicant shall provide to the Design Committee a written description of remedial actions intended to bring the project into compliance with the program guidelines and the previously approved design proposal. ***Final payment of grant funds will be withheld until all areas of non-compliance are suitably remedied, inspected, and approved in the sole discretion of the Design Committee.***

**FAÇADE IMPROVEMENT GRANT APPLICATION FORM**

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

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

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

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

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

Applicant's Telephone (Daytime): \_\_\_\_\_ (Home): \_\_\_\_\_

Total Cost of Proposed Improvements: \_\_\_\_\_

Total Grant Amount Requested (up to a maximum of \$5,000.00): \_\_\_\_\_

Brief Description of Proposed Façade Improvements: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I have read the program requirements and reviewed them with the Executive Director of the Alpena DDA, and I understand that my participation in the Façade Improvement Grant Program is contingent upon my full compliance with all requirements. I understand that this is a matching grant program and that the DDA will provide funding on a dollar-for-dollar match basis and that awarded grant funds are paid following completion of the work and full approval by the DDA's Design Committee. I understand that design changes not approved by the Design Committee prior to their incorporation into the improvement project may result in my forfeiture of the grant award for the entire project. I also certify if I am a tenant of the subject property that I have obtained written approval from the property owner to complete the project improvements. My application includes the materials listed on the checklist on the following page.

DATED: \_\_\_\_\_

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

## FAÇADE IMPROVEMENT GRANT APPLICATION MATERIALS CHECKLIST

- \_\_\_\_\_ The completed grant application form, signed by the applicant.
- \_\_\_\_\_ A detailed description of the improvements proposed, with justification as to why the improvements meet the DDA's intent of preserving or enhancing the historical character of buildings in the DDA district.
- \_\_\_\_\_ Detailed cost estimates from a minimum of two qualified contractors for the work proposed, and the names, addresses, and telephone numbers of the persons who prepared the estimates.
- \_\_\_\_\_ The business name, address, telephone number, and two references for the contractor and any subcontractor(s) the applicant proposes to hire to complete the project.
- \_\_\_\_\_ All architectural plans and/or sketches, and all specifications needed to understand the scope of the work proposed.
- \_\_\_\_\_ Examples of color schemes and materials proposed for the exterior improvements, including paint, bricks, signage, windows, awnings, etc.
- \_\_\_\_\_ A description of the long-term maintenance plan proposed by the applicant for the building's exterior once any grant-funded improvements are completed.
- \_\_\_\_\_ A list of the federal, state, and local permits required for the proposed work.
- \_\_\_\_\_ The property owner's written permission for the work proposed, if the applicant is a tenant.
- \_\_\_\_\_ Written proof in the form of paid receipts or statement of account history that all property taxes, annual installments of assessments, and balances on all City of Alpena accounts (whether in the name of the applicant or owner or attaching to the property) for the subject property have been paid.
- \_\_\_\_\_ A certificate of insurance coverage for the subject property.
- \_\_\_\_\_ A project schedule detailing the applicant's expected progress in completing the proposed improvements.
- \_\_\_\_\_ Confirmation by the City of Alpena Building Department that the subject building is structurally sound and that the roof is intact.
- \_\_\_\_\_ Photographs of the building façade proposed for improvements.

**Owner Authorization for Tenant Proposed Façade Improvements**

I hereby authorize (applicant name) \_\_\_\_\_ to carry out the exterior improvements as detailed in the attached Façade Improvement Grant Application Form, on my property located at (address) \_\_\_\_\_, which is located within the Alpena DDA district.

I agree to release and hold harmless the City of Alpena Downtown Development Authority and the members thereof, the members of the DDA’s Design Committee, the DDA Executive Director, representatives, and staff, the City of Alpena, and the City of Alpena’s officers, councilpersons, representatives, and staff from all liability in the event of property damage or physical injury resulting from construction work performed in conjunction with this façade improvement project.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Property Owner’s Signature  
Printed Name:

STATE OF MICHIGAN     )  
  ) ss.  
COUNTY OF ALPENA     )

Acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_  
\_\_\_\_\_.

\_\_\_\_\_  
Printed or Typed Name:  
Notary Public, State of Michigan, County of:  
Acting in the County of Alpena  
My commission expires:  
(attach seal)