



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



PROGRAM OVERVIEW

The purpose of the Downtown Façade Improvement Program to provide financial assistance, via both grants and zero-interest loans, to property and business owners within the Central Business District-Tax Increment Finance Authority (CBD-TIFA) District in Mt. Pleasant for physical improvements to their properties.

This document has been prepared by the City of Mt. Pleasant's Downtown Development office to provide a clear understanding of the Downtown Façade Improvement Program.

The Downtown Façade Improvement Program, is made up of two separate yet interconnected pieces, intended to encourage preservation, rehabilitation, and restoration of the historic resources within the CBD-TIFA District by complementing private sector investment and financing. The two offerings are:

Façade Rendering Grants Zero-Interest Loans

This program will assist in the creation of high-impact, visual improvements, and an overall enhanced image that will positively attract local residents and visitors to a "world class downtown" reflecting Mt. Pleasant's uniqueness and dynamic nature of its cultural resources and distinctive legacy of the city's heritage.

It is intended that over the next several years, the Downtown Façade Improvement Program will directly enhance the architectural characteristics and historic resources of the CBD-TIFA District.

The City of Mt. Pleasant's Downtown Development Director and the CBD-TIFA Board will administer the program as long as funding remains available.

PURPOSES OF THE PROGRAM

1. To directly stimulate physical improvements to downtown buildings and businesses.
2. To stimulate building improvements sensitive to the unique context of the downtown's historic commercial architectural character.
3. To stimulate physical improvements to businesses to make them attractive to Mt. Pleasant's consumer market.
4. To strengthen existing, and encourage new businesses to bring new employment opportunities to the downtown.
6. To work closely with the lending institutions and the City to provide an attractive incentive package to downtown commercial owners.

I. FAÇADE RENDERING GRANTS

Applicants for no-cost architectural renderings of building façades, paired with either private financing or the zero-interest program are recommended to work with the city's preferred architectural firm within a given budget and will be provided with one proposed building elevation, suggested procedures for renovation, and probable costs based on the Secretary of Interior Guidelines (see bullet # 7 under *Requirements for Applicants* below). However, there may be times that a façade improvement project is part of a more extensive building renovation and a property owner may wish to use an architect of their choosing. For instances such as this, reimbursement will be at the same level as the city's preferred



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



architect and need to adhere to the Secretary of Interior Guidelines for Historic Preservation (see bullet #7 under Requirements for Applicants below).

These renderings are designed to convey transformative changes to buildings such as removal of metal slipcovers, uncovering/replacing windows, or the addition of ornamental components (dentil molding, cornices, etc.) to a building rather than show modest changes such as signage or an alternative paint color.

For those applicants wishing to have more than one elevation rendered the following pricing schedule is available:

- Front Elevations \$850 per elevation
- Rear Elevations \$550 per elevation
- Side Elevations \$400 per elevation

Additional services available:

- Construction Drawings
- Construction Observation
- Sub Consultants and other related services

To access program funds, applicants must demonstrate a bona fide commitment to implement building improvements and must certify that construction will commence within 18 months of funding approval and that the project will be completed within 120 days thereafter. Applicant will be in default if rehabilitation is not undertaken within the specific time period, with 100% of paid costs and expenses to be reimbursed to the City of Mt. Pleasant.

II. ZERO-INTEREST LOAN

The revitalization of a commercial district often begins with improvements to a single building or storefront. Even simple changes such as the removal of non-historic materials, repairs, or a new paint job that calls attention to the building's original architectural details signal positive change and often stimulate similar improvements in neighboring buildings.

While this process sometimes begins spontaneously through the work of individual property or business owners, the CBD-TIFA intends to accelerate the process by offering zero-interest loans, in addition with façade rendering services, for improvements with staggered payback time periods based on the funding amount requested.

REQUIREMENTS FOR APPLICANTS

1. Applicant loan projects must be located within the boundaries of the CBD-TIFA (see attached map).
2. Applications will not be considered for single family detached housing or to refinance existing debt.
3. All proposed improvements are to be approved by the CBD-TIFA Board prior to the commencement of any work.
4. Construction must commence within 60 days of approval for funding and the project must be completed within 120 days thereafter. Requests for time extensions must be submitted in



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



writing and will only be approved upon the expressed written consent of CBD-TIFA.

5. All building and property improvements must meet state and local building codes and zoning requirements.
6. All required municipal or governmental permits must be obtained prior to start-up.
7. Improvements to those buildings and businesses within the Downtown Historic District (see attached map) will be asked to meet the minimum Standards for Rehabilitation of the National Trust for Historic Preservation. Standards for Rehabilitation are:
 - i. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
 - ii. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
 - iii. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
 - iv. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
 - v. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
 - vi. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
 - vii. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
 - viii. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
 - ix. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
 - x. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.
8. Improvements to those buildings not within an established Downtown Historic District should, to the degree possible, meet the minimum Standards for Rehabilitation of the National Trust for Historic Preservation.



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



9. Maximum loan amounts shall be up to 50% of the overall project cost. The minimum loan amount shall be not less than \$1,000.
10. All applicants must be current on all taxes and other obligations owed to the City.
11. While architectural services by a licensed architect are encouraged, they are not required to participate in the program.
12. Eligible improvements include, but are not limited to, the following:
 - Signs and awnings - please see *Downtown Signage Design Guidelines* for more details.
 - Replacement of missing decorative features.
 - Exterior painting.
 - Restoration of windows and/or doors.
 - Removal of non-historic materials or additions.
 - Exterior lighting.
 - Design and engineering fees related to the proposed improvements (not to exceed 10% of the total project costs).
 - Historic preservation related maintenance which requires specialized care or expertise such as tuckpointing or cleaning.
13. 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.
14. 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.
15. In general, the CBD-TIFA encourages repair and preservation of existing features, unless alterations to these facades have resulted in an incoherent, unattractive or inharmonious appearance.
16. For facades which have previously been substantially altered, 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.
17. Paint colors will either be based on original colors obtained from paint samples on the buildings, photographs or be compatible with adjoining buildings and colors in downtown Mt. Pleasant. Trim colors, which highlight building details, are encouraged. Spectacular colors should be avoided.
18. Ineligible improvements include, but are not limited to, the following:
 - Any interior work, fixtures and furnishings, roof repair or replacement.
 - Landscaping.
 - Building improvements not visible from the public realm.
 - Removal or architecturally significant features.
 - Building additions or new construction.
 - Improvements completed or in-progress at the time of application.



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



- Building acquisition.
 - General building maintenance, including paint and repairs to match existing conditions.
 - Any activity completed prior to receiving final approval of funds.
19. Any changes in work must be first approved by the CBD-TIFA Board.
20. Requests for funding will be reviewed on a first-come, first-served basis.
21. The loan program boundaries include a substantial number of buildings and it is recognized that improvements to one structure may not have as great an impact on the downtown as improvements to another. Considering that intent of this program is to provide the downtown with the greatest impact possible consistent with the program's statement, the CBD-TIFA reserves the right to reject any application.

FINANCING GUIDELINES AND PAYBACK SCHEDULE

Applicants must demonstrate proof of 50% in matching funds, whether owner equity or private financing. Eligibility, rates, terms and conditions of private financing will be determined on an individual basis subject to the normal credit granting criteria of participating private banking institutions.

If the loan is awarded, CBD-TIFA will reimburse applicants for eligible improvements. Program financing will be in the form of a reimbursement to the property owner/applicant. The reimbursement will be disbursed on a draw basis. Loan recipients must submit invoices from contractors or suppliers marked "paid in full" along with copies of the checks made payable to the contractor or supplier.

The term of each applicant's loan will be determined by the level of funding requested:

Funding Amount	Payback (monthly)
\$1,000 to \$2,000	12 months
\$2,001 to \$3,500	24 months
\$3,501 to \$15,000	48 months
\$15,000+	60 months

Please note that for loans in excess of \$1,000 a lien will be executed on the property until paid in full.

DEFAULT AND REMEDY

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. Failure to pay this loan payment for greater than 60 days.
2. The applicant fails to pay, when due, any real estate taxes or special assessments on the subject property.
3. Upon sale of the building the loan will become due in full.
4. Borrower defaults on private bank loan or other public financing made in conjunction with the CBD-TIFA Façade Improvement 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 CBD-TIFA.



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



APPLICATION PROCESS

Interested parties should schedule a pre-application meeting with staff at (989) 779-5348 prior to preparing any materials for submittal.

Application for the program will include the following sent to: Downtown Development office, 320 W. Broadway, Mt. Pleasant, Michigan 48858.

- A letter describing your project. Include how proposed improvement(s) will enliven downtown;
- Copies of cost estimates or bids that support improvements;
- Photos or drawings of the existing façade;
- Drawings and description of the proposed changes;
- Proposed timeline for the project.
- Proof of 50% in matching funds (i.e. bank statements, loan documents), whether owner equity or private financing.
- Credit application including:
 - Financial statements and/or tax returns
 - Monthly income and expenses
 - Recent credit report

Once the written request has been submitted and all necessary documentation has been received, the CBD-TIFA will meet to discuss the request.

Upon approval, CBD-TIFA will reimburse applicants for eligible improvements. Please see *Financing Guidelines and Payback Schedule* for details.



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM

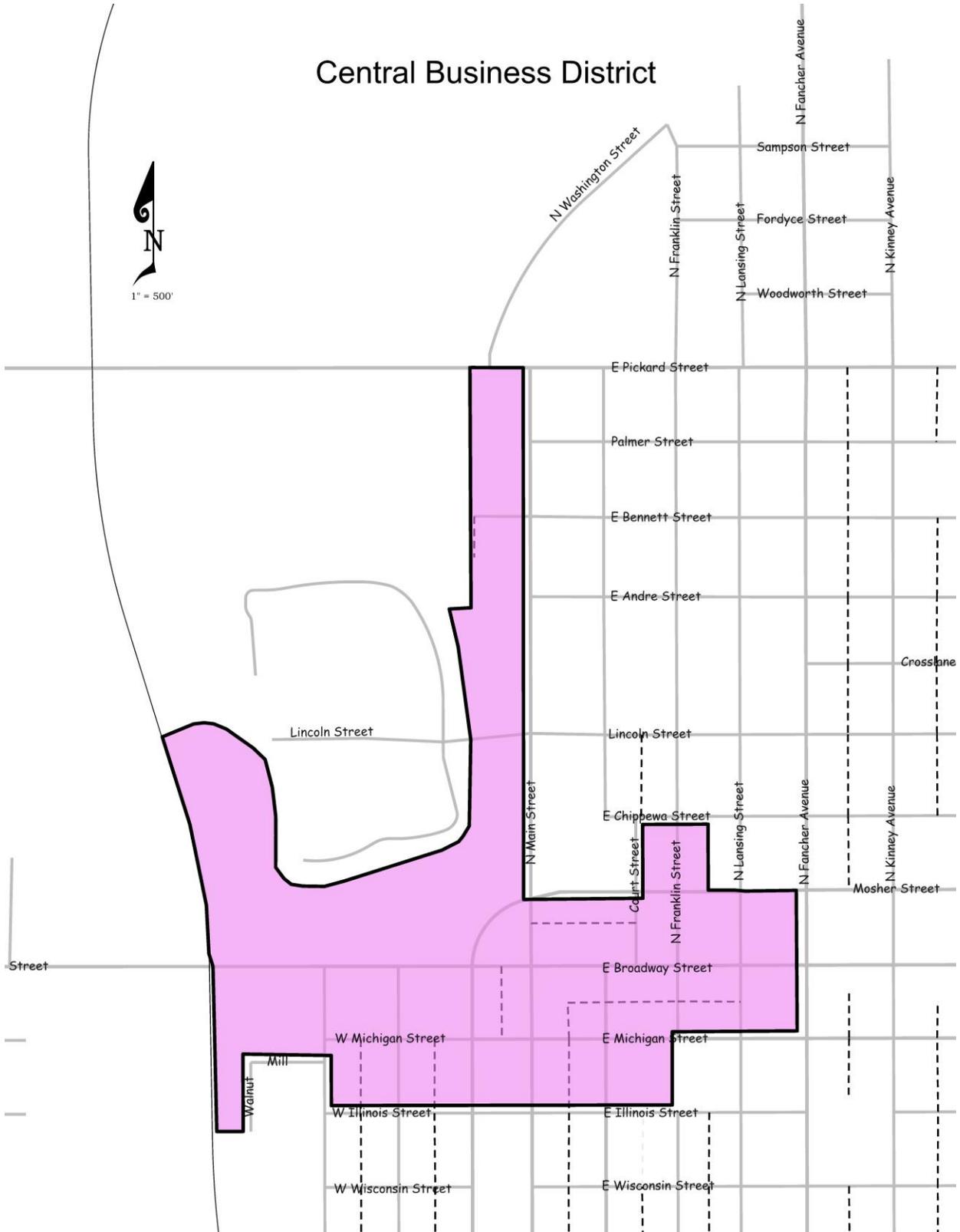




DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



Central Business District





DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



Downtown Mount Pleasant Historic District Boundary



- District Boundary
- Contributing
- Non-Contributing within Period of Significance
- Non-Contributing