



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



PROGRAM OVERVIEW

The City's Downtown Façade Improvement Program promotes façade improvements within the Central Business District-Tax Increment Finance Authority (CBD-TIFA) District by providing design services and financial incentives for qualifying projects.

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. The two offerings are:

Façade Rendering Services Façade Easement Purchase and Zero-Interest Payback

This program assists in creating high-impact, visual improvements to attract local residents and visitors to a "world class downtown" that reflects Mt. Pleasant's uniqueness and the dynamic nature of its cultural resources and distinctive legacy.

PURPOSES OF THE PROGRAM

1. To directly stimulate physical improvements to central business district buildings and businesses.
2. To stimulate building improvements sensitive to the unique context of the central business district'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 businesses and encourage new businesses to bring employment opportunities to the central business district.
6. To work closely with the lending institutions to provide an attractive incentive package to central business district commercial owners.

I. FAÇADE RENDERING SERVICES

Program applicants work with the City's architectural firm to develop a façade design and installation procedures based on the Secretary of Interior Guidelines (see bullet # 7 under *Requirements for Applicants* below). Designs will involve transformative changes to buildings such as removal of metal slipcovers, uncovering/replacing windows, and the addition of ornamental components (dentil molding, cornices, etc.).

The City covers the cost of a single façade rendering. Applicants may purchase additional renderings in accordance with the following pricing schedule:

- Front Elevations \$700 per elevation
- Rear Elevations \$450 per elevation
- Side Elevations \$300 per elevation



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



Additional services available:

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

To qualify for the program, 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 specified time period, with 100% of paid costs and expenses to be reimbursed to the CBD-TIFA.

II. FINANCIAL ASSISTANCE – FAÇADE EASEMENT PURCHASE AND ZERO-INTEREST PAYBACK

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 providing financial incentives. Specifically, the CBD-TIFA will purchase façade easements in the façade to be improved and allow the developer to gradually repay the purchase price (free of interest) over a pre-determined timeframe.

REQUIREMENTS FOR APPLICANTS

1. Applicant 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 must be approved by the CBD-TIFA Board prior to the commencement of any work.
4. Construction must commence within 60 days of approval and the project must be completed within 120 days thereafter. Requests for time extensions must be submitted in writing and will only be approved upon the expressed written consent of the CBD-TIFA Board.
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 construction.
7. Improvements to those buildings and businesses within the Downtown Historic District (see attached map) must 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.



DOWNTOWN FACADE IMPROVEMENT PROGRAM



- 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.
 9. The purchase price for the façade easement may be up to 50% of the overall project cost. Private investment of at least \$2,000 is required.
 10. All applicants must be current on 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).



DOWNTOWN FACADE IMPROVEMENT PROGRAM



- Historic preservation related maintenance requiring specialized care or expertise, such as tuckpointing or cleaning.
13. Changes to the façade of the buildings may not remove, alter, damage or cover up significant architectural features of the building that are original, and may not reflect a major alteration to the building.
 14. Changes to the façade of buildings will either; 1) partially or fully restore the historic 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 that have previously been substantially altered, treatment will conform to 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 or colors shown in historic photographs, or will be compatible with adjoining buildings and colors in downtown Mt. Pleasant. Trim colors, which highlight building details, are encouraged.
 18. Ineligible improvements include, but are not limited to, the following:
 - Interior work, fixtures and furnishings, roof repair or replacement.
 - Landscaping.
 - Building improvements not visible from the public realm.
 - Removal of architecturally significant features.
 - Building additions or new construction.
 - Improvements completed or in-progress at the time of application.
 - 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 after approval must be reapproved by the CBD-TIFA Board.
 20. Requests for funding will be reviewed on a first-come, first-served basis.
 21. 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 central business district as improvements to another. Accordingly, the CBD-TIFA reserves the right to prioritize applications based on their potential impact.

GUIDELINES AND PAYBACK SCHEDULE

Program participants must demonstrate proof of 50% in matching funds, whether owner equity or private financing.

The length of the participant’s payback period 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



DOWNTOWN FAÇADE IMPROVEMENT PROGRAM



\$3,501 to \$15,000
\$15,000+

48 months
60 months

At least one principal or member of any participating entity is required to personally guarantee payback of the façade easement purchase price. Other methods of securing payment may be required for some projects, as deemed appropriate or necessary by the Finance Director and City Attorney.

After completing construction, participants must submit invoices from contractors or suppliers marked “paid in full” along with copies of the checks made payable to the contractor or supplier.

DEFAULT AND REMEDY

In the event of default, the outstanding balance of the façade easement shall become due and payable, and the applicant will be liable for any collection costs and attorney fees incurred by the City collecting payment. Each of the following events constitutes a default:

1. Failure to make payments when due.
2. Failure to timely pay any real estate taxes or special assessments on the subject property.
3. Failure to pay off the balance in full upon selling the building.
4. The applicant’s dissolution, insolvency, or declaration or adjudication of bankruptcy.
5. Modifying or altering the façade of the building in violation of the terms and conditions of the façade easement.

APPLICATION PROCESS

Interested parties must 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 the project. Include how proposed improvement(s) will enliven the central business district;
- 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.

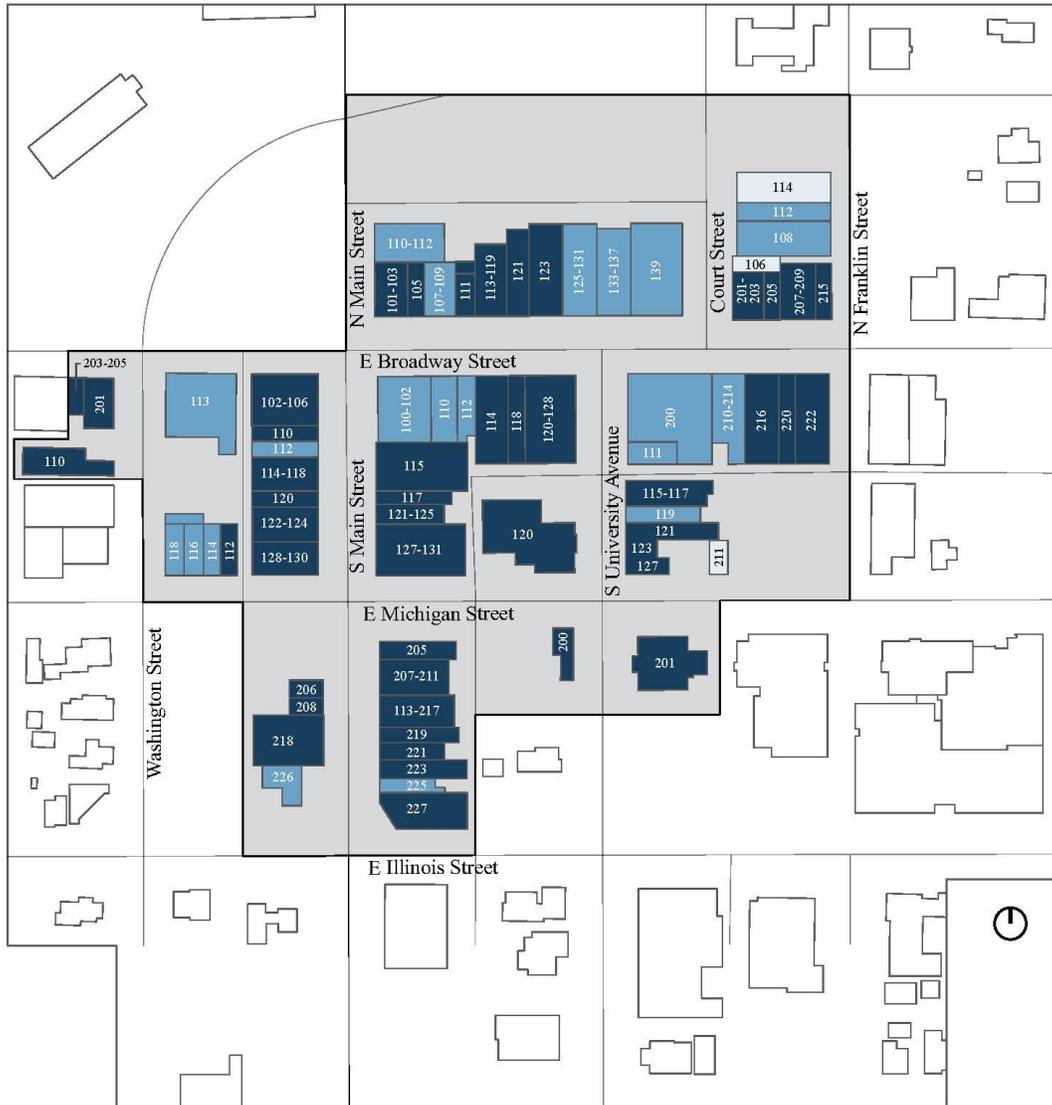
Upon approval, CBD-TIFA will reimburse applicants for eligible improvements. Please see *Financing Guidelines and Payback Schedule* for details.



DOWNTOWN FACADE IMPROVEMENT PROGRAM



Downtown Mount Pleasant Historic District Boundary



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

GRAPIDS 57654-1 395906v3