



City of Hillsdale Tax Increment Finance Authority Facade Improvement Program Guidelines

Purpose

The City of Hillsdale Tax Increment Finance Authority Facade Improvement Program was established to:

- Promote economic viability and community revitalization by providing an incentive to business and property owners to make exterior building improvements, including signage, that are complimentary to the overall historic nature of the TIFA district.
- Encourage business and property owners to utilize professional design and planning assistance when undertaking a façade improvement project.

Eligible Applicants

- Property owners or leaseholders of commercial or mix-used properties located within the TIFA district.
- Leaseholders must have the written permission of the property owner to apply for program funding.

Eligible Properties

- Properties must be located within the City of Hillsdale TIFA district. (*Attachment A*)
- Tax exempt properties are not program eligible.
- All property taxes, City services accounts, and assessments must be current at the time of approval and funding.
- A property (or contiguous properties owned or leased by the same individual or business) may only receive a total of one (1) grant award within a thirty-six (36) month period.

Program Funding

The City of Hillsdale TIFA will allocate funds each fiscal year for the Facade Improvement Program. For fiscal year 2010-2011 the TIFA has appropriated \$40,000.00.

- Façade Repair/Rehabilitation projects - a reimbursement of up to 50% of eligible expenses is available per property (or contiguous properties) up to a maximum grant award of \$10,000.00.
- Exterior paint only projects - a reimbursement of up to 75% of eligible expenses is available per property (or contiguous properties) up to a maximum grant award of \$3,000.00.

- A minimum grant award of \$1,000.00 applies except for projects submitted under the exterior paint only portion of the program.
- A maximum of \$2,000.00 of grant funds may be used for signage.
- There are no set minimum or maximum projects that will be awarded funding each year.
- The fiscal year begins July 1.

Application and Funding Award Process

Interested applicants must submit their application and supporting documentation to the City of Hillsdale Economic Development office on or before March 1st (03/01) each year for consideration of approval at the regularly scheduled April meeting of the TIFA Board. Approved applications will be allocated from the following fiscal year budget which begins July 1st (7/1).

******* Please note – applications for FY 2010-2011 are due on or before May 1, 2010 for consideration of approval at the regularly scheduled June 2010 TIFA meeting.**

In addition to the completed application (*Attachment B*) the following information must be included:

- Brief narrative explaining the scope of the project.
- Color photos or renderings of the existing façade.
- Color photos or renderings showing the location of the proposed façade improvements.
- Samples of proposed paint colors.
- Detailed cost estimate(s) from licensed contractor(s).
- Proposed project timeline.
- Letter of permission from property owner stating their approval of the application for assistance and proposed improvements.

The Economic Development Director will perform a preliminary review of all applications to ensure their completeness. Incomplete applications will not be reviewed by the TIFA Façade Improvement Review Committee.

The TIFA Façade Improvement Review Committee will meet to study the proposals and may request additional or clarifying information in support of any application. Written recommendation regarding each proposal is then presented to the TIFA Board who is solely responsible for the official approval or denial of all applications. The TIFA Board upon review may send the proposal back to the applicant with requests for modifications.

- Applicants will be notified by phone and in writing of their acceptance or rejection of the proposal.
- A Façade Improvement Grant Agreement will be executed by the TIFA Board and the applicant for all approved applications.
- Upon execution of the Façade Improvement Grant Agreement, work on the project may commence but reimbursement will not be made until after July 1st (7/10).

Project Reimbursement

All work must be completed and all required documentation submitted for reimbursement by June 30th (6/30) of the fiscal year from which the grant funds have been allocated.

- The grant recipient must submit "paid in full" invoices and the corresponding cancelled checks for each contractor or supplier to whom they have made payment.
- The grant recipient must supply proof that the improvements have passed any local or state building code or safety requirements.
- Reimbursement will not be made for any improvements completed prior to TIFA Board approval or execution of the Façade Improvement Grant Agreement.
- Reimbursement may be withheld for all or a portion of completed work if the applicant has deviated from the originally approved scope of work.

The TIFA Board may consider additional applications for funding after the March 1st deadline if the applicant is seeking assistance because:

- They are a newly established business.
- Their business has relocated to a different location within the district.
- They are the new owner of subject property.
- Require funds to repair exterior damage of the building not covered by insurance.

General Requirements

- Any changes to the originally approved scope of work must be approved in writing by the Façade Improvement Review Committee PRIOR to construction or installation.
- All work must be performed in accordance with all applicable local, state and federal codes. This includes obtaining any necessary permits through the City of Hillsdale Code Enforcement Office, Department of Public Safety or Public Services, or the Hillsdale County Building Inspection Department.
- Applicant is responsible for all construction management during the course of project including relationships with contractors or suppliers.
- Applicant is responsible for ensuring that contractors performing work are properly insured and licensed.
- Code deficiencies or violations related to the work being performed in connection with the Façade Grant Improvement Program must be corrected as part of the facade renovation.
- It is the responsibility of the applicant to ensure compliance with the requirements of any state or federal historic tax credit program for which they may be seeking project funding.

In order to be as sensitive as possible to the historic nature of the TIFA district and its buildings and to provide a design guide for the applicant and/or their contractor, architect, or designer, the TIFA Board has chosen to adopt the Secretary of Interior's Standards for Preservation.

1. A property will be used as it was historically, or be given a new use that maximizes the retention of distinctive materials, features, spaces, and spatial relationships. Where a treatment and use have not been identified, a property will be protected and, if necessary, stabilized until additional work may be undertaken.
2. The historic character of a property will be retained and preserved. The replacement of intact or repairable historic materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Work needed to stabilize, consolidate, and conserve existing historic materials and features will be physically and visually compatible, identifiable upon close inspection, and properly documented for future research.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. The existing condition of historic features will be evaluated to determine the appropriate level of intervention needed. Where the severity of deterioration requires repair or limited replacement of a distinctive feature, the new material will match the old in composition, design, color, and texture.
7. 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.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.

**Source NPS.gov March 2010

Buildings on the State or National Register must be restored or rehabilitated according to the Secretary of Interior Standards for Rehabilitation of and Guidelines for Rehabilitation of Historic Buildings. These standards can be accessed at

<http://www.nps.gov/history/hps/tps/standguide/index.htm>.

Eligible Improvements/Activities

The TIFA reserves the right to determine the eligibility for all items in a project's scope of work. This determination shall be conclusive and final. Front, rear and side facades are all eligible for improvements. The facade features eligible to be improved with grant dollars include, but are not limited to, the following:

- Grant funded improvements must be permanent and fixed in type or nature.
- Woodwork and architectural metal repair, cleaning, restoration, painting or replacement, including shutters.
- Masonry repairs, tuck pointing or low-pressure cleaning.
- Exterior painting.

- Window and door repair, restoration, repainting and replacement of windows and exterior doors.
- Cornice, parapet repair, restoration or replacement.
- Awning repair, replacement, or installation of new awnings.
- Exterior lighting fixtures.
- Signage, particularly two-dimensional, exterior lighted perpendicular signs.
- Storefront exit or entrance improvements including compliance with ADA regulations.
- The cost of architectural, engineering or professional design fees.
- Energy efficiency improvements.

Ineligible Improvements/Activities

- Property acquisition, mortgage, land contract, or financing of loan fees
- Building, sign, and/or construction permit fees
- Appraiser, attorney, or accountant fees
- Wages paid to applicant or applicant's relatives for work associated with the facade improvement project
- Furnishings, trade fixtures, display cases, counters, or other items taxed as personal property.

Program Amendments

The City of Hillsdale TIFA has the authority and may, at its discretion exceed any of the guidelines it has established and disregard any of the restrictions it has imposed in any case where the TIFA Board determines that the program purpose will be best served by doing so. Any such action or change to the guidelines must be approved by vote of the City of Hillsdale TIFA Board.