



LEXINGTON DOWNTOWN DEVELOPMENT AUTHORITY FACADE IMPROVEMENT PROGRAM POLICY

ARTICLE I INTRODUCTION

The Lexington DDA was created to promote and enhance the commercial core of the community, to preserve public investment and to improve the viability of businesses within the DDA district.

This facade improvement program establishes criteria and procedures for evaluating facade improvement proposals requesting the use of DDA Facade Improvement Program funding. The criteria set forth herein should be considered guidelines for preparing an application only; compliance with the criteria does not guarantee approval of a request for DDA Facade Improvement Program funding. Development projects supported by the policy are anticipated to be ones that make permanent or long-lasting improvements to the aesthetic conditions of the district.

ARTICLE II

PURPOSES

The DDA recognizes the following purposes for the use of DDA Facade Improvement Program funding towards facade improvements:

1. To encourage the redevelopment of deteriorated or otherwise blighted real property and to stimulate economic development in the downtown district by assisting projects which promote long-term economic growth and diversity in the downtown district.
2. To stimulate increased private investment in areas that would have otherwise remained undeveloped or underdeveloped and which will in the long term provide a significant source of additional tax revenues to all taxing entities.

3. To correct and prevent deterioration in the downtown district.
4. To encourage historic preservation.

ARTICLE III FACADE IMPROVEMENT USES OF DDA FUNDING

Grant types and Levels include:

Level 1 - Design Incentives Available Up to \$2500

- Exterior Design Assistance
- Signage Improvement

Level 2 - Business Start Up Incentives up to \$5000

- Retail Start-Ups
- Arts, Culture and Creative Businesses
- Incubators
- Pop-ups

Level 3 - Design Incentives for matching funds up to, but not exceeding \$10, 000

- Facade Improvement
- Expansion/Development

Eligible Cost for Level 1 Grant

- Professional design fees
- Exploratory research costs related to historically significant buildings
- Restoration of historically significant signage
- New signage installation
- Signage lighting and electrical

Eligible Cost for Level 2 Grants

- All items in Level 1
- Repair, replacement or addition of windows, doors, walls, or other appropriate architectural elements
- Interior painting
- Interior lighting

- Conversion of storefront
- Restoration of historic elements
- Construction or installation of ADA facilities
- Construction of or installation of bathrooms
- Installation or upgrades to energy efficient heating and cooling systems
- Installation of fixed artwork
- Installation of bike racks
- All materials and labor for work performed in association with above mentioned improvements

Eligible Costs for Level 3 Grant - matching fund grant up to \$10,000

- All items in Level 1
- Repair, replacement or addition of roofing, windows, doors, walls or other appropriate architectural elements
- New or replacement of HVAC systems
- Total Exterior or complete single facade painting
- Awnings or exterior canopies
- Masonry repair, cleaning or paint removal
- Conversion of storefront
- Restoration of historical elements
- Removal of historically inaccurate facade treatments
- Exterior landscaping, outdoor cafes or seating areas
- Construction or installation of ADA facilities
- Installation of fixed artwork
- Installation of bike racks
- All materials and labor for work performed in association with above mentioned improvements
- New Construction

DDA Facade Improvement Program funding shall not be used for routine maintenance, which includes, but is not limited to, the following: painting of structures, landscaping, roofing, parking lot maintenance, such as seal coating and striping, or other improvements of a temporary nature. Notwithstanding the foregoing, the Board may consider these uses if it is found that they are necessary to preserve and achieve the purposes put forth in Article II.

ARTICLE IV APPLICATION REQUIREMENTS AND APPROVAL PROCESS

A. Application and Mandatory Criteria

All Designs and Facade Improvement Grants must adhere to the DDA design guidelines: <https://villageoflexington.com/wp-content/uploads/2021/12/2022-0303-Lexington-Design-Guidelines-final.pdf>. The DDA will use these Design Guidelines and the Village of Lexington's codes to judge grant awardees. Each person or entity seeking to use DDA Facade Improvement Program funding must submit a completed application to the DDA to be reviewed by the DDA Board at the next scheduled meeting. Incomplete applications, or applications that do not meet these requirements shall be rejected. The application must demonstrate how the proposal conforms to and facilitates the purposes of the DDA Facade Improvement Program and must contain the following:

1. The name of the owner of the property where the project is located, the property address, parcel ID number, and applicant's telephone number.
2. The application must be dated, notarized, and signed by a person having the authority to enter into legally binding contracts on behalf of the applicant.
3. A detailed project description, including a legal description of the development area, a description of the proposed work to be performed, the proposed starting and completion dates for the project, and the name of any architect or firm designing the project.
4. A description of how the project's use of DDA Facade Improvement Program funding meets the purposes of the Facade Improvement Program as set forth in Article II.
5. Two (2) written estimates of the cost of the project provided by outside contractors, including a cost breakdown by category, such as electrical, carpentry, masonry, or other projected costs.
6. Evidence of the following:
 - a. Title to the property;
 - b. Written approval of the proposed changes from the property owner;
 - c. The property is located within the DDA district; cl. All personal and real property taxes are paid up to date;

- d. Payment of all special assessments are current; and
 - e. If the applicant is a business entity, such as a corporation or LLC, a certificate of good standing from the State of Michigan.
- 7. A statement that the project complies with and shall continue to comply with all Village of Lexington regulations, codes and ordinances.
 - 8. Other material that the DDA considers pertinent in order to make an informed decision.

B. Discretionary Criteria

The following criteria, if present, will be considered by the DDA, and shall be given such weight as the DDA deems appropriate when awarding DDA Facade Improvement Program funding. Failure to meet these criteria shall not preclude a grant of DDA Facade Improvement Program funding

- 1. The building or site that is to be redeveloped displays conditions of blight.
- 2. The project involves the startup of an entirely new business or business operation at an existing location within the Village of Lexington and will result in the rehabilitation of that location.
- 3. The project involves the expansion of an existing business located within the district.
- 4. The project is a permanent or long-lasting improvement to the DDA District.

C. Approval Process

- I. If the application meets the requirements of this Article IV, the DDA shall consider the application. The Board shall then review the application for DDA Facade Improvement Program funding and determine whether to approve or deny it. A majority of a quorum of the Board must approve the grant of DDA Facade Improvement Program funding. The Board's decision shall be based on the extent to which the application meets the requirements listed above and supports the purposes of the Facade Improvement Program and the DDA's strategic plans and goals for the DDA district. If the Board approves the

application, the application shall become a contract, binding on the applicant and property owner. A tax-exempt entity which meets the criteria established in this Policy shall be eligible to receive DDA Facade Improvement Program funding, at the discretion of the DDA.

- 2 The DDA will not consider a grant application for facade improvements after the commencement of work or labor, or the purchase of materials, except as provided for in Section a. below.

- a. When an application for a grant was not timely filed, an applicant may file an application along with a notarized statement of facts explaining the delay, subject to the restriction and limitation imposed by Section 2b below.

The Board may consider the length and the reasons for the delay in deciding whether to accept a delayed application for consideration. However, acceptance of a delayed application shall not be construed or implied to mean that (1) the delayed application has been accepted by the Board for grant consideration or (2) the DDA will approve the request for DDA Facade Improvement Program funding.

- b. Notwithstanding anything contained herein to the contrary, the DDA shall not accept or consider any application filed more than ninety (90) days after the commencement of work or labor or the purchase of materials.

ARTICLE V AWARD OF GRANTS

A. Payment of DDA Facade Improvement Program Grant

All grants awarded shall only be paid upon completion of the project and the submission by the applicant of paid invoices for the project and proper documentation to the DDA. An applicant may file an explanation, along with a notarized statement of facts explaining a hardship which would necessitate the award of the grant prior to the completion of the project and an early award be initiated at the DDA Board's discretion.

B. Financial Responsibilities

- I. The applicant shall be responsible for acquiring all other necessary financing. Except for the grant awarded hereunder, the Village of Lexington

and the DDA assume no responsibility or liability whatsoever for any obligations of the applicant and/or property owner.

2. If the property owner(s) sell the property within three (3) years after the award of the facade grant, the facade grant is forfeited and the grantee(s) must reimburse the DDA the full amount of the facade monies granted.

I). Limitation of Grant Awards

1. Only one (1) grant of DDA Facade Improvement Program funding for facade improvements shall be awarded to any property owner, zoning parcel, or tax parcel during any eighteen (18) month period, commencing on the date of the grant of DDA Facade Improvement Program funding.
2. The number and amount of grants are limited to the monetary amounts remaining within the annual DDA budget specified for the DDA Facade Grant Program, as set forth herein and at the discretion of the DDA.