

DDA FAÇADE IMPROVEMENT PROGRAM

ARTICLE I INTRODUCTION

The City of Westland Downtown Development Authority (“DDA”) hereby adopts the following policy creating a framework designed to support and complement private investment projects through the expenditure of Tax Increment Financing (TIF) revenues to invest in façade improvements within the DDA. This policy shall be known as the “DDA Façade Improvement Program.” Upon adoption, this policy will go into effect March 1, 2024.

This policy establishes criteria and procedures for evaluating façade improvement proposals requesting the use of TIF funds. 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 TIF funds. 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 OF TIF

The DDA recognizes the following purposes for the use of tax increment financing for façade 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 FAÇADE IMPROVEMENT USES OF TIF REVENUE

TIF revenue may only be used for the following purposes:

1. Physical improvements that enhance the general aesthetics of the particular parcel of property, building exterior or façade; and
2. To bring non-conforming signs into conformity.
3. To promote maintenance, which includes, but is not limited to, the following: painting of structures, landscaping, visible roofing, parking lot maintenance, such as seal coating and striping, or other improvements of a temporary nature, so long as the maintenance will significantly improve the overall aesthetic of the property and is subject to board discretion.

ARTICLE IV

APPLICATION REQUIREMENTS AND APPROVAL PROCESS

A. Application and Mandatory Criteria

Each person or entity seeking to use TIF funds under the Façade Improvement Program must submit a complete application to the City of Westland Economic Development Department to be reviewed by the DDA Director or, in his/her absence, the Director of Economic Development. 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 Development Plan 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 TIF revenue meets the purposes of the Façade Improvement Program, such as:
 - a. The project will eliminate actual or potential deterioration and/or hazards to the public. Hazards may include condemned or unsafe building, sites or structures; or
 - b. The project will retain and/or bring new or expanded employment opportunities as demonstrated by proposed wage scales, employee benefits and mixture of full and part time employees; or
 - c. The project will stimulate additional redevelopment in the district.
5. Three (3) 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. Projects estimated to cost over \$20,000.00 need only submit one (1) cost estimate.
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 TIF district;
 - d. All personal and real property taxes are paid up to date;

- e. Payment of all special assessments are current; and
- f. If the applicant is a business entity such as a corporation, 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 City of Westland 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 TIF grants. Failure to meet these criteria shall *not* preclude a grant of TIF funds:

- 1. The building or site that is to be redeveloped displays conditions of blight as established by the City of Westland Building Codes.
- 2. The project involves the start up of an entirely new business or business operation at an existing location within the City of Westland 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 site has displayed a recent pattern of declining real property assessments as measured by the Wayne County Director of Equalization.
- 5. The project is a permanent or long-lasting improvement to the DDA District.

C. Approval Process

- 1. If the application meets the requirements of this Article IV, the DDA Director, or in his/her absence the Director of Economic Development, shall forward it to the DDA Board for consideration, along with the Director's written recommendation. The Board shall then review the application for TIF assistance and determine whether to approve or deny it. A majority of a quorum of the Board must approve the grant of TIF revenues. The Board's decision shall be based on the extent to which the application meets the requirements listed above, supports the purposes of the Façade Improvement Program and the DDA Development Plan, improves the tax base of the TIF district, and the availability of TIF funds. 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 TIF assistance, at the discretion of the DDA.
- 2. The DDA will not consider a grant application for façade 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 grant funds.
- 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. Maximum Grant

The DDA shall reimburse an applicant any amount up to seventy five (75%) percent of the cost of the project, limited to a maximum reimbursement of Twenty Five Thousand (\$25,000.00) Dollars.

B. Payment of Grant Monies

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.

C. Financial Responsibilities

The applicant shall be responsible for acquiring all other necessary financing. Except for the grant awarded hereunder, the City of Westland and the DDA assume no responsibility or liability whatsoever for any obligations of the applicant and/or property owner.

D. Limitation of Grant Awards

1. Only one (1) grant of TIF revenue for façade improvements shall be awarded to any property owner, zoning parcel, or tax parcel during any twelve (12) month period, commencing on the date of the grant of TIF funds.
2. The applicant will have a twenty-four (24) month period from the date of the grant of TIF funds to submit a reimbursement request to the DDA. If such request is not received within the previously stated time period, applicant will forfeit the TIF funding awarded.