# DOUGLAS DOWNTOWN DEVELOPMENT AUTHORITY
Business Incentive
Grant Program Guideline

PROGRAM GUIDELINES

The City of Douglas Downtown Development Authority (DDA) was originally created in 1997 to reverse the pattern of deterioration in the downtown area and to plan for and implement certain public improvements considered necessary for future economic growth. The goals of the DDA are detailed in its Development Plan, adopted in 2006. In mid-2017, the DDA introduced a new Business Incentive Program designed to provide funding to businesses moving into the City of Douglas DDA District (District) and existing businesses within the District that undergo an expansion within the District.

DDA Boundary
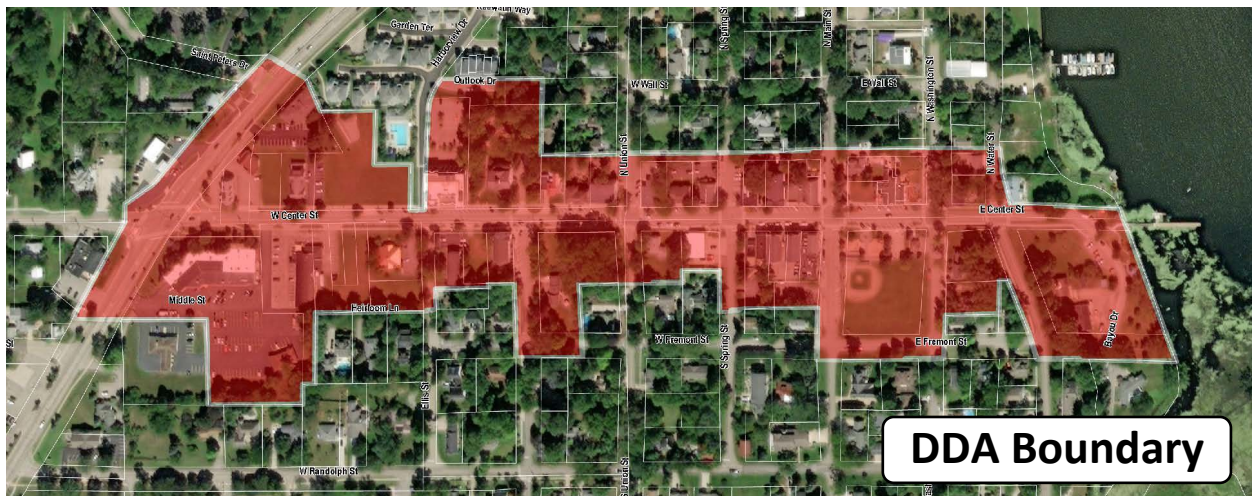
The maximum amount awarded to a business under the program is $5,000. Projects will be funded only to the extent that funding is available.

Applicants must meet the following criteria:

ELIGIBILITY
- For-profit business owners that purchase or lease property within the District and/or open a new for-profit business in the District.

- Owners of taxable property within the District that lease it to tenants who open new for-profit businesses in the District.

- For-profit business owners or tenants of property currently located within the District that undergo an expansion within the District. Expansion is defined as: an addition of square footage to an existing building, acquisition of neighboring property, addition of outdoor seating or service areas that thereby adds taxable value to the property or moving to a larger building within the District.

CONDITIONS OF ELIGIBILITY
- The property owner must be current on all City, County, and State property and income taxes and

all other City accounts.

- The proposed project must have an estimated usable life of at least 10 years.

- The business owner or their contractor must secure proper permits prior to commencement of work. All work must comply with all applicable laws, ordinances, building codes, and zoning ordinances.

- All work must be completed within six months from the date the award is approved.

- Funding will not be awarded for work completed prior to application date.

- Applicants must be available to attend a DDA Business Incentive Program sub-committee meeting. A DDA representative will be in contact regarding an appointment. Applicants are also invited to attend the DDA meeting at which their application is brought to the DDA Board.

- To qualify for funding, the business must be open for regular business a minimum of four days a week for eight consecutive months per year.

- If funding is awarded, the business must remain open for regular business for five years. If, during that time, the business closes its regular operation and therefore no longer fulfills this condition, the award must be repaid to the DDA on a pro-rated basis (for example, for a $5,000 award, at a rate of $83.33 for each month that the business is no longer open during the 5-year period).

- Applicants must personally guarantee in writing the repayment of an award in the event that their business is determined to have failed to meet the conditions of the award granted.

- If funding is awarded, the recipient must display the DDA Business Incentive Program Award Signage (see example – sign will be provided) in a window on the pedestrian side of the business, in plain view of the public. Signage must remain in place for a minimum of 60 days after the completion of the funded project.

- If funding is awarded, the recipient must provide the DDA with photographs of aesthetic improvements before and after the completion of work. Photographs must be taken from the same vantage point. These photographs may be used by the DDA for marketing purposes.
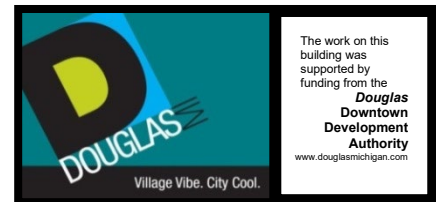
ELIGIBLE COSTS (with estimated useable life <u>of at least 10 years</u>)
- New construction, including electrical, mechanical, and plumbing upgrades

- Replacement or addition of windows, doors, walls, or other appropriate architectural elements

- Construction or installation of interior partition walls, flooring, and ceiling systems

- Professional design fees (architectural, interior design or landscape)

- Exterior or interior painting

- Awnings or exterior canopies

- Exterior or interior lighting

- Masonry restoration, cleaning, or paint removal

- Conversion of storefront to architecturally contextual/historic storefront

- Restoration of historic elements (both interior and exterior)

- Removal of historically unsuitable (modern) facade treatments

- New outdoor café seating

- Exterior landscaping

- Exterior or interior signage

- All materials and labor for work performed in association with above-mentioned improvements

INELIGIBLE COSTS
- Appraiser or attorney fees

- Expenses incurred prior to application date

- Property acquisition, mortgage, land contract financing, or loan fees

- Building permit fees

- Purchase of inventory

- Maintenance expenditures

- Furnishings, trade fixtures, display cases, counters, computers, equipment, and other items taxed as personal property

Please note that the above lists of eligible and ineligible costs are not all-inclusive. Final determinations of eligibility requirements are governed by the DDA Board.

AWARD PAYMENTS
- DDA awards are paid to recipients as reimbursements

- All work must be in compliance with the aforementioned requirements

- Original receipts for work performed must be provided to receive reimbursement

- After satisfactory review by DDA Business Incentive Program sub-committee, payment will be made to the award recipient as soon as possible by the City Treasurer

PROJECT PRIORITIES
The Business Incentive Program is a competitive evaluation process. Complete documentation regarding your project (i.e., photographs, renderings, sketches, estimates) will help increase your chances of receiving funding.

Applications for businesses containing one or more of the following characteristics (in no particular order) will be given priority in the awarding of DDA funding:
- Businesses locating into buildings that are vacant

- Projects containing a high ratio of private to public dollars

- Projects designed to resolve deteriorated, inappropriate/unsightly conditions that have existed for many years (boarded windows, deteriorated electrical fixtures, unsightly storefronts, etc.)

- Projects designed to restore the historic condition of a building facade

- Projects that will complete the improvement of a block or portion of a block (ex. replacement of

an inappropriate facade that exists on a block containing many well-preserved, or improved facades)

New applicants will be given priority over applicants that have previously received funding under the Business Incentive Program. A business may not apply for another award within 5 years of receiving an award under this program.

Projects for the following types of businesses will be given priority over others for funding consideration as established by the adopted DDA Development Plan (available at www.douglasmi.gov):

- Businesses that cross promote and bolster District businesses

- Projects providing a new type of business to the District, such as:

    - Breakfast and lunch establishments
    - Specialty merchant stores
    - Clothing merchants
    - Jewelry stores
    - Art galleries
    - Boutique hotel/lodging
    - Breweries/distilleries
    - Ice cream/candy shops
    - Wine/craft beer/cheese stores
    - Antique/vintage shop

PROGRAM TIMELINE
Business Incentive Program applications are accepted, reviewed, and awarded on an ongoing basis depending on the availability of funds in the DDA budget.

QUESTIONS
Please contact the City Clerk's office at clerk@douglasmi.gov or 269.857.1438 for questions. For more information on the DDA please visit our website at www.douglasmi.gov.

Business Incentive Program adopted by the DDA on June 13, 2017

Douglas Downtown Development Authority
Business Incentive Grant Program Application

BUSINESS/APPLICANT INFORMATION

Business Owner:_____

Business Name:_____

Mailing Address:_____

Physical Address:_____

Tax ID#:_____

Phone:_____ Email: _____

How many years have you been in the Douglas Downtown Development Authority District? _____

PROPERTY OWNER (if different from applicant)

Name:_____

Mailing Address:_____

Tax ID#:_____

Phone:_____ Email: _____

PROJECT REQUIREMENTS (use additional sheets if needed)

1. Describe your project in detail and how it will benefit the DDA District.

   _____

   _____

   _____

2. Provide architectural plans, renderings, sketches, or illustrations depicting the work to be performed.

3. Provide a breakdown of the estimated costs associated with your project. Include the entire project cost and the amount requested.

4. Provide a copy of your company's business plan. For resources relative to business plan development, visit www.michiganbusiness.org.

5. List your estimated start date of project._____

6. List your estimated completion date of project._____

7. Will the project result in a change of use for the building?_____

8. Provide property deed and legal description of property.

9. Provide proof that all property taxes are paid and current.

10. Provide proof of Title Commitment showing current ownership of property and an indication of clear title free of any other liens or encumbrances. If not the property owner, provide a letter of authorization.

11. Provide proof of property and liability insurance.

12. If applicable, provide two (2) contractor quotes for work to be performed.

_____   _____

Signature of Applicant   Date

By signing this Business Incentive Program application, I understand that any amount awarded is personally guaranteed by me. If my business does not remain open for five years after receipt of award payment, I understand that I will be required to repay the pro-rated amount of the award to the Douglas Downtown Development Authority immediately upon demand.

ALL DECISIONS CONCERNING THE BUSINESS INCENTIVE PROGARM APPLICATION PROCESS, INCLUDING ELIGIBILITY AND/OR CONTAINING ELIGIBILITY FOR FUNDING, ARE WITHIN THE SOLE DISCRETION OF THE DDA BOARD AND AREFINAL.

Please return application and supporting documentation to:

City of Douglas
Downtown Development Authority
86 West Center, PO Box 757
Douglas, Michigan 49406

COMPLETE THIS APPLICATION IN ITS ENTIRETY; INCOMPLETE APPLICATIONS WILL NOT BE REVIEWED.
PLEASE RETAIN A COPY OF THIS ENTIRE APPLICATION FOR YOUR RECORDS.