



## **Village of Birch Run Downtown Development Authority Business Assistance Program**

### **Purpose**

The Village of Birch Run Downtown Development Authority (DDA) was created to promote and enhance the commercial core of the community, to encourage economic development and activity in this area, and to improve the viability of businesses within the Village of Birch Run DDA District. In order to accomplish these objectives, the Village of Birch Run DDA has identified projects within its Tax Increment Finance and Development Plan. One of the projects identified is titled "Promotional Strategy, Business Promotion and Assistance". It is under this project that the Business Assistance Program is established.

### **Overview**

The Business Assistance Program provides financial assistance to property owners and/or leaseholders within the Village of Birch Run DDA district. The primary intention of the program is to improve the physical appearance of businesses and enhance the traditional downtown area. Grants funds are made available through Tax Increment Financing (TIF) dollars collected by the Village of Birch Run DDA. The annual funding allocations will be established by the Village of Birch Run DDA Board of Directors as a part of the fiscal year budgeting process.

### **Goal of the Program**

The goal of the program is to achieve quality design and encourage economic investment with the Village of Birch Run DDA district. The Village of Birch Run DDA believes that by providing incentives to spur revitalization and reinvestment in commercial entities within the Village of Birch Run DDA district, it will create a more attractive downtown and improve economic vitality as well as greatly complement the

goals of the Village of Birch Run DDA Tax Increment Finance and Development Plan and the Village Master Plan.

### **Program Descriptions**

The programs described herein are contingent upon the availability of budgeted funds and will be awarded on a first come, first serve basis. Once budgeted funds for that fiscal year are expended, no further applications will be accepted. The Village of Birch Run DDA reserves the right to revise or end these programs at any time and in no way guarantees availability of funding for any specific project at any given time.

**A. Technical Assistance Grant** – A Technical Assistance Grant provides a 50-50 matching grant (not to exceed \$500) for businesses interested in developing a marketing plan, utilizing new window display techniques, or creating a business website. This grant is intended to assist a business owner to identify a professional resource and for professional consultation. The grant is not intended to be used for the purchase of advertising or other products.

### **B. Physical Improvement Grants**

- i) Façade Improvement Grant** – The Façade Improvement Grant provides funds for front, side, and rear facades which are visible from a public street or municipal parking lot. The program provides a 50-50 matching grant up to \$5,000 for front and side facades and up to \$2,500 for rear facades. Large scale projects will require a licensed architect and contractor to refine conceptual designs and to implement Village approved plans.
  
- ii) Sign Grant** – The Sign Grant provides a 50-50 matching grant (not to exceed \$1,500) for businesses that were established and operating prior to 2012, which are replacing non-conforming signage. Signage that has received a variance will be considered on a case by case basis.

These competitive grant programs are set up as matching grants, where the business or building owner will spend \$1 and the Village of Birch Run DDA will match the businesses' expenditure with \$1 up to one half of the project expenditure or the limit of the program, whichever is less. All programs reimburse the applicant after the project is successfully completed. All improvements must be initiated within sixty (60) days of the award of the grant by the DDA and completed within six (6) months of commitment of funds. If the applicant has not met these requirements, the Village of Birch Run DDA will re-evaluate the status of the project. An extension may be considered if substantial progress can be documented. The Village of Birch Run DDA, in its sole discretion, reserves the right to cancel the funding commitment if the applicant fails to meet the requirements or makes changes to the project as approved.

### **Eligible Applicants**

Property owners or leaseholders of commercial property within the Village of Birch Run DDA district boundaries. A map of the Village of Birch Run DDA district boundaries is included with the Business Assistance Program documentation. In the case where the leaseholder is the applicant, written and notarized permission from the property owner is required. Awards for funding can be made in several yearly project allocations; provided, however, that the total of all awards in a consecutive five-year period but cannot exceed \$9,500. An applicant may apply as many times as desired, but cannot exceed the allocated per project total or the \$9,500 maximum total awards in a consecutive five-year period.

### **Eligible Properties**

All existing commercial or mixed use buildings located within the Village of Birch Run DDA boundaries. The building must meet a basic condition test, which indicates that the property appears to be structurally sound, the roof intact, and meets all Village of Birch Run ordinances and State of Michigan code requirements including zoning, building, and safety codes. Property (real and personal) taxes, utilities, and other Village accounts must be current in order to be eligible for consideration. Business owners must have a valid Business License in the Village of Birch Run. Where a building that is under one ownership is divided into more than one unit for purposes of commercial tenancy, each separate unit which has an individual storefront façade and an independent ground floor access shall be eligible.

### **Eligible Improvements**

All façade and sign grant-funded improvements must be permanent and fixed in type and/or nature and be visible from a public street or municipal parking lot. Improvements must meet all Village of Birch Run ordinances and State of Michigan code requirements including zoning, building, and safety codes. The applicant must obtain all necessary permits and pay any corresponding fees. All work must be performed by licensed contractors.

The Village of Birch Run DDA Board of Directors reserves the right to determine the eligibility of all items in a project's scope of work. Eligible items include, but may not be limited to:

- Façade rehabilitation
- Storefront repair or rehabilitation
- Exterior masonry cleaning and/or repair
- Pointing of brick/mortar joint repair
- Door and window repair and/or replacement
- Signage
- Patching and painting of façade walls
- Exterior painting
- Exterior lighting

- Awnings
- Handicap accessibility

Buildings on the State or National Register must be restored or rehabilitated according to the *Secretary of Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings*.

### **Ineligible Expenses**

Program funds cannot be utilized for uses, including but not limited to, the following:

- Refinancing existing debt
- Property acquisition
- Interior improvements or furnishings
- Flowers, plants, shrubs or landscape work
- Site plan, building, or sign permit fees
- Property appraisal costs, legal fees, or loan origination fees
- Permit and Inspection fees
- Roof Repairs or structural work
- Parking lot paving or sealing
- Labor costs paid to the owner/applicant or relatives of owner/applicant
- Expenses incurred prior to approval of application
- New building construction
- Purchase of personal property
- Payment of taxes

It is not the intent of the program to subsidize routine building maintenance projects such as painting. Rather, the purpose of the assistance grant is to alter and improve the overall appearance of a building façade.

### **Evaluation Criteria**

The Village of Birch Run DDA's decision to accept an application will be based on the available funds, the merits of the proposed project, the support it provides to the advancement of the Master Downtown Development Plan, and the impact of the project to the Village of Birch Run DDA district. The following issues will be taken into consideration when reviewing the applications:

- Significant improvement of the visual appearance of the building and surrounding area
- The level of financial participation of the property and/or business owner
- Compatibility with the Village of Birch Run Code of Ordinances, including the Village Zoning Ordinance, and the Village of Birch Run DDA Master Downtown Development Plan

The Village of Birch Run DDA may approve or reject all or a portion of an application, and suggest and/or request changes/additions to an application prior to consideration

for approval. The specific program guidelines detailed herein are subject to revision or amendment by the Village of Birch Run DDA Board of Directors. The Village of Birch Run DDA may discontinue this program at any time, with or without notice and for any reason including, but not limited to availability of program funding.

### **Modifications after Grant has been Awarded**

If it becomes necessary for any reason to alter or make a change relating to the use of a grant, approval must be received from the Village of Birch Run DDA Board of Directors before proceeding. Failure to receive written authorization may cause forfeiture of all or a portion of the grant award, in the DDA Board of Directors' sole discretion.

### **Maintenance Agreement**

Grant recipients must agree to maintain the property and all improvements funded by the Business Assistance Program. Physical improvements that have been made through the Façade Improvement Grant Program or the Sign Grant Program may not be removed or significantly altered for a minimum of five years.

### **Business Assistance Program Signage**

Grant recipients must agree to display signage provided by the DDA announcing participation in the Business Assistance Program. The signage shall be displayed prominently on the premises so that it is visible from the public right-of-way and shall be displayed, at a minimum, for a period commencing not more than 10 days following execution of the Grant Agreement and continuing through and until not less than 60 days following completion of the work funded by the Business Assistance Program.

### **Contact Information**

For additional information about the Business Assistance Program, please contact the DDA Secretary of DDA Director at the Village Office at (989) 624-5711. Also, please visit the Downtown Development Authority's page on the Village of Birch Run website at [www.villageofbirchrun.com](http://www.villageofbirchrun.com).



