



FAÇADE IMPROVEMENT PROGRAM  
CITY OF ALLEGAN  
DOWNTOWN DEVELOPMENT AUTHORITY



June 2020

## **INTRODUCTION**

The City of Allegan, with the Downtown Development Authority, has created a Downtown Façade Improvement Program that is intended to directly stimulate design improvements to downtown buildings in a coordinated fashion, stressing overall compatibility with the historical significance and uniqueness of Allegan's downtown structures. The appearance of individual buildings, storefronts, signs, alleys, window displays, parking lots, and sidewalks establishes the visual character of the downtown and plays a major role in the success of the business district.

The purpose of the façade improvement program is to encourage substantial improvements to commercial facades visible from the public areas. The program funding is intended to provide financial incentives for quality façade development.

It is the intent of the program to strengthen the economic viability of Downtown Allegan by improving the exterior physical appearances of buildings. The perception of a downtown has a significant influence on its economic success. By improving its physical appearance, the downtown will have a much greater potential for attracting and retaining business as well as creating an image of economic health and vitality.

## **CONCEPT**

The City of Allegan Downtown Development Authority Vision Statement:

*Downtown Allegan is committed to creating a well-designed place where the community comes together and fosters the local economy.*

# **PROGRAM ELIGIBILITY AND REQUIREMENTS**

- Property must be located within the legal boundaries of the DDA.
- Only buildings with commercial usage consistent with desired downtown land uses, specifically retail and dining, are eligible.
- Property must be structurally sound, roof intact, and meet basic safety codes.
- If the subject property is within the historic district, all proposed structural improvements that are applicable to the Historic District ordinance must be approved by the Historic District Commission.
- Façade improvements must be visible to exterior public areas.
- Property owners and business owners are eligible. If a tenant applies for assistance, they must provide written proof that the property owner has authorized the proposed improvements. All City of Allegan volunteers, committee, board or council members are eligible to apply for program funds.
- Applicants will be required to complete an application form provided by the City of Allegan, and all related paperwork pertaining to the Façade Program.
- All required municipal/governmental permits must be pursued by the property/building owner and be obtained prior to the start of any construction.
- Property taxes and other city accounts must be current.
- The DDA reserves the right to award grants it deems to be in the best interest of the City of Allegan, the DDA, and the Façade Improvement Program. The DDA and City of Allegan reserve the right to nullify assistance awards which are found to be noncompliant with the conditions of this program.
- Annual program funding will be limited, with projects awarded as funds are available. The DDA will make final determinations on individual project eligibility and can reject any application based upon insufficient program funds.

# **INELIGIBLE USES OF PROGRAM FUNDS**

Façade Program funds may not be utilized for any of the following uses:

- Refinancing existing debt.
- Property acquisition.
- Interior improvements or furnishings.
- Site plan, building or sign permit fees.
- Property appraisal costs, legal fees, or loan origination fees.
- Labor costs paid to the owner/applicant or relatives of the owner/applicant, unless otherwise approved.

**City of Allegan staff are available to assist all Façade Improvement Program applicants and may be contacted at (269) 673-5511 via the City Manager's Office.**

# **PROGRAM GUIDELINES**

This program is designed to provide funding to encourage more extensive building restoration and historic preservation projects. Based on available funding, this assistance program will be offered annually, and will be considered on a competitive basis under criteria outlined further in this section. Applicants for this funding must commit to making capital improvements or repairs on items that have a useful life of at least 20 years.

## **ELIGIBLE COSTS FOR FAÇADE IMPROVEMENT PROGRAM (Exterior Improvements Only)**

- Repairs or replacement of windows, doors, walls, or other appropriate architectural elements.
- Exterior painting (only in conjunction with other major improvements; painting is not to exceed 50% of total project cost)\*
- Awnings.
- Exterior lighting.
- Masonry repair or cleaning.
- Restoration of vintage elements.
  - o Removal of inappropriate “modern” façade treatments.
  - o Removal/replacement of inappropriate signs and/or lighting (new signs/lights must be compatible with existing architecture.
  - o Repair or restoration of original brick, woodwork, or metalwork.
- Materials and labor for work performed in association with above-mentioned improvements.

## **INELIGIBLE COSTS FOR FAÇADE IMPROVEMENT PROGRAM**

- Expenses incurred prior to approval of site plan by the Historic District Commission, the Downtown Development Authority, City Council, or any other applicable board.
- Property acquisition.
- Mortgage or land contract financing.
- Loan fees.
- Site plan, building permit fees.
- New construction.
- Consultant fees including architectural, engineering, appraiser, attorney, design, or decorator fees.
- Furnishings, trade fixtures, display cases, counters, or other items taxed as personal property.
- Reusable or removable items.
- Any portion of expenses for which applicant pays contractor in merchandise or in-kind services.

## **PROJECT PRIORITIES FOR THE FAÇADE IMPROVEMENT PROGRAM**

The following characteristics will be utilized to determine priority in the appropriation of project funds to the applications received. This is not an all-inclusive or exclusive list. Instead, this list will be utilized for guidance in the selection process:

- Highly visible projects.
- Projects identified on corner lots.
- Projects containing a high ratio of private to public dollars.
- Projects designed to remove/replace boarded windows.

- Projects designed to resolve deteriorated/inappropriate/unsightly conditions that have existed for many years (boarded windows, deteriorated electrical fixtures, etc.).
- Projects which enhance pedestrian movement from the rear to the front of buildings.
- Projects designed to restore the historic condition of building façade or posterior (see eligible cost: No. 6).
- Projects which will complete the improvement of a block or portion of a block (i.e. replacement of an inappropriate façade).
- Projects in which the building is owner occupied.
- Projects in which a new business is planned to open in the space upon completion of the renovation.

## **FAÇADE IMPROVEMENT PROGRAM AWARD**

Façade improvement assistance will be awarded on a one-to-three matching basis between the applicant and the DDA (i.e. for every four dollars expended on eligible costs by the applicant, the DDA will match this with one dollar of assistance).

- The minimum total project amount that will be considered for assistance is \$20,000 per property.
- The minimum assistance provided will be \$5,000 per property.
- The maximum allowable amount of assistance will be \$20,000 per property.

Properties awarded the Façade Improvement Program may not be eligible for additional façade funding within 20 years of the renovation grant award, contingent upon available façade funding and applicability to all guiding façade program principles.

## **SUBMISSION REQUIREMENTS FOR FAÇADE IMPROVEMENT PROGRAM**

- The application must be completed by the property/business owner with owner's consent and returned to the City Manager's office where it will be reviewed for accuracy and compliance and logged into the records of the DDA.
- The application is reviewed by city staff to verify that it is located in the DDA district. Staff will provide a preliminary review outlining how well the project meets the program objectives.
- If the application meets program objectives, the applicant will be notified that their project has been accepted for consideration.
- The applicant must submit a detailed plan illustrating proposed improvements.
- In addition to the site plan, a detailed breakdown of all costs, including signed estimates from two qualified contractors will be submitted by the applicant (a project budget illustrating both private and public expenditures).
- Once a plan is submitted, it will be taken before the DDA and City Council for review.
- If approved, project construction may commence upon written notification by the City. If the plan is inconsistent with program goals, it will be returned with a request for modifications.

## **POST-APPROVAL PROCEDURES FOR FAÇADE IMPROVEMENT PROGRAM**

- The DDA, prior to construction/installation, must approve any changes to the scope of work.
- All approved changes in work verification shall be attached to the original site plan in the form of an addendum and dated.
- City staff may conduct periodic inspections to ensure compliance with the site

plan and adopted eligible activities.

- Project completion must occur within one year of approval. Only under extenuating circumstances, a single extension of time to complete the project can be requested in writing and may be awarded by the DDA.
- Upon completion of project improvement, the grant recipient is to provide photographs of the new façade to the DDA to ensure that all components of the site plan are met.
- After final project inspection, the DDA and City Council will each review the complete application and consider the approval of the grant reimbursement.
- Façade Improvement Program funds will be paid as a reimbursement to the grant recipient(s) at the close of the project upon receipt of proof of payment. Reimbursements will not be made if any recipient(s) grant requirements go unfulfilled. Applicants shall anticipate a minimum of 45 day reimbursement process after proof of payment is submitted to the City of Allegan.

## **APPLICATION REQUIREMENTS FOR FAÇADE IMPROVEMENT PROGRAM ASSISTANCE**

- Two (2) contractor quotes/construction bids for total project.
- A property deed with the legal description of property.
- Proof that all property taxes are paid and current.
- Copies of any leases associated with the property.
- If tenant is applying, please provide a letter from the owner expressing approval of the project proposal.
- A schematic drawing and/or pictures of the proposed improvements.

# **PROJECT REVIEW AND SELECTION PROCESS**

City staff will work closely with the property/business owner to determine initial eligibility under program guidelines. Once the initial scope of work has been determined, staff will present the project to the DDA and the DDA will determine whether or not to fund the project.

If chosen for funding, the applicant agrees to the following:

- A five-year deferred payment mortgage on the property receiving the Façade Improvement Program funds.
- To keep the business open and operating for a minimum of five years.
- To be open to the public a minimum of 5 days a week and at least 7 hours a day.

## **RIGHTS RESERVED**

The City of Allegan reserves the right to reject any and all applications. The specific program guidelines detailed herein are subject to revision or amendment by the DDA. The City of Allegan may discontinue this program at any time, subject to availability of program funding.

## **ACKNOWLEDGEMENTS**

This project is funded by the City of Allegan Downtown Development Authority whose mission is to foster and stimulate economic growth and development within the City of Allegan DDA district. The grant program will be funded annually. Projects will be considered on a first-come-first-serve basis.

# **APPLICATION FOR FAÇADE IMPROVEMENT PROGRAM:**

Business Name: \_\_\_\_\_

Property Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Number: \_\_\_\_\_

Contact Email: \_\_\_\_\_

Business Owner's Name: \_\_\_\_\_

Property Owner's Name: \_\_\_\_\_

Briefly Describe Proposed Project:

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*Please attach required materials.*

I certify that all information included with the application is true and correct and agree to adhere to any conditions stated herein in addition to all city ordinances.

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Signature of Property Owner / Date