Property Rehabilitation Incentive Program (PRIP) Guidelines

PROGRAM PURPOSE

This program is designed to encourage and support private investment within the Lyon Township Downtown Development Authority District. The Program Guidelines are intended to target assistance to improvement projects that assist the DDA District in accomplishing the following objectives:

- Reduce and/or eliminate undesirable uses or structures,
- Improve visual attributes of buildings, spaces, and landscapes,
- Eliminate blight,
- Foster job retention/creation,
- Implement the Lyon Center Vision Plan, and
- Promote the increase of long term property values.

The Lyon Township DDA believes that by providing a targeted incentive program to spur revitalization and reinvestment in the Lyon DDA District, it will result in a more attractive district greatly complementing the goals of the Master Plan, Lyon Center Vision Plan and the Township’s ongoing economic development efforts.

PROGRAM DESCRIPTION

Subject to funding availability, the DDA will consider rebates up to 20% of the combined total cost of eligible improvements for rehabilitation of eligible buildings (refer to list of eligible improvements below for further details) located within the DDA District. The maximum amount paid by the DDA may not exceed $20,000.00 for each commercial/industrial parcel (this is based on a total of $100,000.00 of eligible improvements being paid for by the applicant), not including signage, consultants or architectural/design services.

The DDA will consider rebates up to 50% of eligible signage improvements. The maximum amount paid by the DDA may not exceed $5,000 (this is based on a total of $10,000 of eligible improvements being paid for by the applicant).

In addition, and subject to funding availability, the DDA may approve a grant of up to $2,500 for architectural/design services performed by a registered architect or a professional designer who has been pre-approved by the DDA. A list of authorized architects accompanies this guide.
ELIGIBLE APPLICANTS

Eligible applicants include owners or tenants of existing structures currently zoned as commercial or industrial, or for structures or parcels that are successfully re-zoned to commercial or industrial, as described under Eligible Improvements and that are located within the DDA District. Property taxes (real, personal and special assessments) must be paid current in order for an applicant to qualify for this program and kept current prior to funds being dispersed.

An existing commercial/industrial building located within the DDA District may be eligible for PRIP funding. New construction and building additions may be eligible for assistance with the exception of the following improvements: landscaping, exterior security improvements and roofs being the only improvement planned.

PROJECT FINANCING

Applicant must pay 100% of the cost of the Eligible Improvements by financing through a business loan or by cash prior to the PRIP funding disbursement.

DESIGN GUIDELINES

Eligible Improvements approved for the PRIP must comply with the Lyon Township Zoning and Sign Ordinances and the Building Codes, be compatible with the design guidelines described on pages 38-45 of the Lyon Center Vision Plan, which are provided at the end of this document. Most projects will require a building permit and some may require site plan or zoning approval by the Lyon Township Planning Commission.

DDA DISCRETION

The DDA Board reserves the right to terminate or extend this program at any time at its discretion. Funding for this program shall be limited to the amounts budgeted for the program each year by the DDA Board. The DDA Design Committee shall review all applications and forward a recommendation for funding to the DDA Board. The DDA Board’s final decision shall be binding upon the Applicant.

PLEASE NOTE: THE DDA BOARD MUST APPROVE A PRIP APPLICATION BEFORE CONSTRUCTION COMMENCES TO BE ELIGIBLE FOR FUNDING.

ELIGIBLE IMPROVEMENTS

An incentive of up to 20%, unless otherwise noted, may be available for 1) interior and exterior improvements to an existing building housing an existing or new business; and or 2) expansion in an existing building housing an existing or new business:

1. Awnings
2. Signage ($5,000 maximum incentive, excludes plastic back lit panel signs. Refer to Sign Guidelines below for additional details)
3. Demolition (only when completed in combination with other visible Eligible Improvements). At the discretion of the DDA, demolition costs shall not exceed 30% of the applicant’s cost estimate applied to PRIP funding.

4. Doors, doorways, and/or entryways (rear doorways/entryways $10,000 maximum incentive)

5. Dumpster enclosure (only when completed in combination with other visible Eligible Improvements)

6. Exterior siding and surfaces, soffits

7. Façade rehabilitation

8. Storefront repair or rehabilitation

9. Interior build-out of permanent building elements

10. Handicap accessibility

11. Interior/Exterior painting (only when completed in combination with other visible Eligible improvements)

12. Exterior lighting, other than parking lot

13. Parking lot – new pavement only (maximum of $5,000 incentive)

14. Sidewalks and walkways (maximum $10,000 incentive)

15. Window replacement (only on elevations of the building viewable by the passing public)

16. Roof repair/replacement (roof must be a significant architectural element of the building and must be visible from street level)

17. Site improvements, such as landscaping and hardscape, and etc when done in conjunction with other site/building improvements.

**INELIGIBLE IMPROVEMENTS**

1. Any item or service for which the applicant pays the architect, designer, supplier or contractor in services or merchandise

2. Fees, including but not limited to Attorney, Consultants, Oakland County, State of Michigan, and Lyon Township, excluding permit fees

3. Items taxed as personal property

4. Loan or mortgage fees

5. New buildings (only some improvements qualify)

6. Parking lot sealing and patching

7. Real property or equipment acquisition

8. Removable property
EVALUATION CRITERIA

At the discretion of the DDA Board, improvements proposed by an applicant shall be evaluated based on the following criteria:

The proposed improvement will:

- Reduce or eliminate undesirable uses or structure, or architectural elements that are out of character for the period in which they were constructed (e.g. use of inauthentic materials).
- Remove non-conforming building elements or signs.
- Upgrade the visual appeal of the building, landscaping, or spaces.
- Eliminate blight.
- Foster job growth or job retention.
- Implement the Lyon Center Vision Plan
- Promote an increase in property values.
- Restore architecturally significant elements of a structure that are authentic to the period in which the building was built or period when the building was designed (e.g. cornices, molding, parapets, window mullions, signs, etc.).

GENERAL PROGRAM GUIDELINES

At the DDA Board’s discretion, an exception to any PRIP Guideline may be granted due to special circumstances or conditions.

A business owner may apply for PRIP funds more than once for the same building, provided that the total PRIP dollar amount to be disbursed with respect to that building does not exceed $40,000.00 within a five-year period.

1. All PRIP projects are subject to audit by the Lyon Township DDA.
2. Any changes contemplated during rehabilitation must have prior authorization of the DDA Board.
3. Paid receipts will be verified prior to disbursement of funds and reimbursement shall not exceed the amount of the funding commitment made by the DDA Board.

The DDA Board may require that a portion of the total incentive be allocated for tenant signage or improvements.

The Economic Restructuring Committee will re-evaluate the status of any project for which construction has not started within six months of the funding commitment date, and forward a recommendation to the DDA Board for potential action.
APPLICATION PROCESS

NOTE: A PROJECT IS NOT ELIGIBLE FOR FUNDING IF BEGUN PRIOR TO APPROVAL OF THE PRIP APPLICATION.

A. The applicant submits the application and other appropriate paperwork after reviewing the Program Guidelines.
   Items to be submitted to the DDA Administrator include:
   1. PRIP application.
   2. Project design or site plan (if applicable).
   3. Photograph of existing structure.
   4. Breakdown of detailed project cost estimates, copies of vendor's cost estimate(s) are acceptable.
   5. Construction schedule.

B. DDA Administrator will forward an electronic copy of application to the Township Supervisor and DDA Chair.

C. All application materials must be received at the DDA office no later than the 15th day of each month for the Design Committee to review them by the 4th Monday of each month.

D. Following a favorable review, the Design Committee will make a recommendation for the DDA Board to consider at its meeting on the 2nd Tuesday of the month (following the submittal of the application).

E. If the DDA Board accepts the Design Committee’s recommendation, the DDA Board will approve funding. Funds will be earmarked for the project from the yearly program allotment. The applicant will be notified in writing. Projects not underway via construction within six (6) months of approval are subject to revocation of PRIP funding.

F. The DDA Administrator may meet with the applicant for a pre-construction conference prior to the start of construction.

G. After the project is completed, the applicant shall submit copies of paid receipts, final waivers of lien and a Certificate of Occupancy (if required as part of the project) to the DDA Administrator prior to disbursement of any PRIP funds. Per Township auditing requirement, the DDA Administrator will verify in writing with vendors that payment did occur; then a final project report will be prepared by the DDA Administrator summarizing the actual expenses for DDA Board approval its next meeting.

H. The DDA Board authorizes disbursement of funds.
   Funds will be disbursed to the applicant by the DDA after all vendor payment certifications have been received.
SIGN IMPROVEMENT GUIDELINES

The purpose in offering funding assistance for sign improvements is to encourage retail and commercial business owners to improve building signage, which will enhance the attractiveness of the downtown district. The goal is not to find the cheapest sign possible.

Simple, well-integrated signs help reinforce the character of a building and street and are more effective at communicating a message (e.g. illustrations 1-3 to the right). The jumbled and disorderly signs in illustration 4 are not aesthetically pleasing and they disrupt the cohesiveness of the district.

Well done sign improvements will aid in ongoing efforts to increase consumer traffic downtown, as well as recruit additional businesses to the Lyon Township DDA District.

These guidelines expect that all newly proposed signage applying for this grant to be physically three dimensional which adds to the quality and appearance of the sign and the experience of the viewer. Blade signs are highly encouraged through this program and are a great compliment to traditional wall – or storefront – signage (e.g. illustration 2).

1. Sign incentives will not be given to internally lit panel signs, standard corporate franchise signs, painted window signs or frosted window signs or signage displayed on the building interior.
2. Only one incentive will be granted to an applicant each calendar year. Priority will be given to applicants who have not yet received an incentive.
3. Applicants will be considered on a first-come, first-served basis and shall follow the process outlined in the PRIP application process above.
4. After sign installation is completed, the applicant shall submit copies of paid receipts, final waivers of lien and proof of inspection by the Township Building Department to the DDA Administrator prior to disbursement of any PRIP funds. Per Township auditing requirement, the DDA Administrator will verify in writing with vendors that payment did occur. A final project report will be prepared by the DDA Administrator summarizing the actual expenses for DDA Board approval its next regular meeting.
5. The Economic Restructuring Committee may deny a sign incentive to any applicant who does not make recommended changes to their sign design after a first review. Every effort will be made to work with applicants so that an incentive can be granted.

6. Incentives through this program are **NOT** currently available for the following types of signs:
   a. Signs that separately list services and/or products of the business.
   b. Temporary Banner Sign – A fabric, plastic, or other sign made of non-rigid material without an enclosing structural framework.
   c. Mural – A design or representation painted or drawn on a wall which does not advertise an establishment, product, service or activity.
   d. Placard – A sign not exceeding 2 (two) square feet which provides notices of a public nature.
   e. Portable Sign – A sign designed to be moved easily and not permanently attached to the ground, a structure, or a building.
   f. Roof Sign – A sign erected above the roof line of a building.
   g. Temporary Sign – Signs which are not weather resistant, such as signs made out of paper or cardboard, and which are intended to be displayed for a short period of time.
   h. Interior signage.

7. All signs must comply with the standards and regulations in the Lyon Township Sign Ordinance or have a valid ZBA variance in order to be eligible for a sign grant.