



Building Facade Improvement Program GUIDELINES

The Building Façade Improvement Program is designed to retain and enhance the original architectural character of buildings in the downtown area. Many of Jackson’s downtown buildings are significant historic structures and warrant preservation of their original character. Several other buildings, though not designated as “Historic Structures,” reflect the period in which they were constructed in Jackson’s history through their design.

Therefore, restoration is the preferred treatment for any building to which the facade program is applied. The application of the program will result in the return to the original appearance of the structure through the use of authentic materials and the faithful replication of missing parts and careful restoration of deteriorated components of the building. This approach will be most applicable to historic structures in which there has been little change to the appearance of the building over time. This approach *may* be applied to any structure, but *shall* be applied to any structure, which has Local, State or Federal historic designation. Structures, which have historic designation, shall be rehabilitated using the Secretary of the Interior’s Standards for Rehabilitation.

In summary, in terms of design, facade projects shall reflect the original appearance of the building to the maximum extent possible. Buildings, which are designated as historically significant, shall be eligible only for completion under the “historically accurate rehabilitation” program approach.

Note: DDA staff may make a recommendation to the Board of Directors for exemption from the strict application of these design principles. Exemptions may be granted on a case-by-case basis where it can be demonstrated that adherence to these design principles is not feasible.

PROGRAM GOALS

The goals of the Building Facade Improvement Program shall be as follows:

1. To improve the physical appearance and promote the positive image of downtown Jackson.
2. To encourage historic preservation for historically significant structures through restoration of the building facade to return the appearance of the structure to that of an earlier time period in its history.
3. To facilitate the renovation of structures to respect the original character of buildings through the financing of improvements which are sensitive to historic details and materials.
4. To provide an incentive to fill vacant buildings, especially with quality retail operations in street-level space and residential and office use of upper-floor space.
5. To support and expand the tax base in the Central Business District. The program is intended to strengthen the economic viability of downtown Jackson by providing

financial incentives for improvement of the exterior appearance of buildings through the recognition that the design of buildings reflects their period of construction, and that this design reflects the Jackson Community's individuality, identity, character and heritage.

It is not the intent or purpose of the program to subsidize routine building maintenance projects such as painting and stand-alone improvements such as awnings or sign installation. Rather, the purpose of program assistance is to alter and improve the overall appearance of a building's facade.

SOURCE OF PROGRAM FUNDING

This program is sponsored by the Jackson Downtown Development Authority (DDA). The source of funding for the program is tax increment financing revenue made available under Michigan Public Act 197 of 1975 (revised as Act 57 of the Public Acts of 2018) and City Ordinance 92-16, as adopted by the Jackson City Council in October of 1992. Other funding sources may be used and could call for additional requirements from the applicant. Those requirements will be provided to applicants when the application is received.

PROGRAM ELIGIBILITY

A property must be located within the legal boundaries of the DDA District to be eligible for assistance. An interactive DDA map can be found by visiting www.jacksondda.org Both owners of buildings and tenants (with owner permission) are eligible. All property taxes on a building must be paid in full at the time of application. Public properties are not eligible for assistance under the program. Tax paying properties shall receive priority consideration for participation in the program.

PROGRAM FINANCING

Financial assistance through the program will be structured as follows:

- Properties are eligible for a matching grant and loan combination up to a maximum of \$15,000 every seven (7) years.
 - The property and/or business owner may receive up to a \$5,000 matching grant.
 - Additionally, up to a \$10,000 zero interest loan, amortized over seven (7) years for approved exterior property improvements may be awarded.
- Payments on the \$10,000 loan will be required for the first five (5) years on a monthly or annual basis. The last two years of the loan will be "forgiven" if the first five (5) years are paid in full and on time.
- Applicants must match the grant and loan amounts dollar-for-dollar.
- Approved projects must be completed within 180 days after receiving DDA approval. If the project is not completed in the allotted amount of time, the DDA reserves the right to deny funding for the project.
- Requests for time extensions must be submitted in writing a minimum of 30 days before the end of the grace period and can only be approved by the DDA board of directors.
- Any changes made without the approval of the DDA board of directors may disqualify the loan and/or grant.
- A lien will be placed on the subject property at the time of closing on the deferred loan.
- Paid receipts for all expenses must be submitted within 30 days of all work being completed, and no later than 30 days after the original deadline for completion.

A recipient of program assistance shall retain ownership of the property and remain current on the payment of taxes and any debt service tied to the conventional financing of the project in order to qualify for “forgiveness” of the loan. If a transfer of ownership of the subject property occurs, the loan recipient (original property owner) shall repay to the program any debt outstanding at the time of the sale.

MATCHING FUNDS & ASSISTANCE DETAILS

There shall be a limit of \$15,000 in program funds per project per property during a seven-year period for facade improvements through the Façade Improvement Program. Applicants must match the grant/loan amounts dollar-for-dollar (IE an applicant requesting \$15,000 must show proof of a project costing at least \$30,000 (\$15,000 owner-funding + \$15,000 DDA funding). To comply with the matching financing requirements of the program, the following, documented forms of project support by the applicant are acceptable:

1. Capital provided by owner, tenant or private investor; or
2. A conventional loan
3. *Please note: Matching funds cannot be used for multiple programs (no “double-dipping”), and “sweat equity” is not allowed.*

An owner of multiple, eligible properties may apply for assistance for more than one project for separate properties during a seven-year period. In cases where properties having the same owner adjoin each other or share a common contiguous facade, the DDA reserves the right to accept or reject multiple applications for program assistance.

ELIGIBLE USES OF PROGRAM FUNDS

Front, rear, and side facade projects are eligible for program assistance, but front and highly visible rear facades will be considered highest priority. The following expenses are eligible when included within the scope of an overall facade improvement project:

1. Painting, when in conjunction with other work
2. Non-Historic facade removal
3. Fees paid to engineers and/or architects for initial drawings necessary for the review of a Façade Loan Application (up to 50% of cost or \$1000, please see section on “drawing grants”). Engineering/architecture work needed after project selection shall NOT be eligible.
4. Signage (not to exceed 50% of cost or \$500, whichever is less), when in conjunction with other work (please see DDA Sign Grant Application when only a sign is needed)
5. Facade cleaning
6. Exterior lighting
7. Awnings
8. Doors/Entryways
9. Second floor entryways/exits and exterior stairs for residences
10. Window repair/replacement
11. Storefront construction
12. Carpentry
13. Handicap accessibility

INELIGIBLE USES OF PROGRAM FUNDS

The following expenses are explicitly **ineligible** for program assistance:

1. Expenses incurred prior to application or payment of previous debt
2. Property acquisition
3. Any interior improvements
4. Mortgage or land contract refinancing
5. Loan fees
6. Site plan, building and sign permit fees
7. New building construction
8. Appraiser and attorney fees
9. Wages paid to applicant or relatives of applicant
10. Purchase of personal property such as furnishings in a store
11. Site improvements
12. Payment of taxes
13. Any roof work
14. No use of funds for payment of contractors in merchandise or services by applicant
15. Routine facade maintenance
16. Any façade treatment that would accelerate the deterioration of the existing structure or result in a non-durable / high maintenance facade

DRAWING GRANT

Applicant shall enlist the services of an architect or appropriate design professional to prepare design drawings and the scope of work for the façade project. Design work performed by an architect (previously approved, by the DDA Executive Committee) shall be eligible for reimbursement up to \$1,000. This amount is above and in addition to the maximum total loan amount of \$15,000. Architects are selected by the applicant.

PROCESSING THE APPLICATION

Each application will be reviewed by the DDA Executive Committee, DDA staff, and representatives from the City of Jackson. Applications will be discussed and evaluated according to the guidelines and review criteria. Recommendations are submitted for final approval by the DDA Board of Directors.

To be eligible an applicant must first submit a complete application with the required attachments to DDA staff. Once the preliminary application is verified, DDA staff will review the application with the DDA Executive Committee at their next regularly-scheduled meeting. The Executive Committee will determine if any additional information is required, or shall send the application to the DDA full board for their consideration at their next regularly-scheduled meeting.

GRANT RECIPIENTS

If you are awarded a grant, you must:

1. Confirm project plans and provide a revised budget, if changes are anticipated or your award is less than your request.
2. Sign a contract detailing the use of the funds.
3. Credit the DDA in all project publicity.

4. Complete a final report within 30 days of the completion of the project.

Grant recipients shall be reimbursed when the following conditions are met:

1. All work must be completed within 180 days of initial grant approval
2. A final report must be submitted within 30 days of completion, and must include:
 - a. Photos of completed work
 - b. Written description of completed work
 - c. Paid invoices (must show applicant's investment above the approved loan amount)
 - d. Invoices (must match the exact work approved and completed)
3. If all work is not completed within 180 days of initial approval, or if final report is not submitted within 30 days of completion, the DDA board reserves the right to deny funding.

DEFAULT AND REMEDY

The following shall constitute an event of default and the entire principal amount outstanding on a deferred loan awarded through this program shall become due and payable at once at the option of the DDA, as promissory note holder, if:

1. The borrower fails to pay, when due, any taxes or special assessments on the subject property; or
2. The borrower expends note holder's loan funds for uses inconsistent with eligible program uses or items not specified in borrower's loan application to the DDA; or
3. The borrower transfers ownership of subject property to another party, unless the loan recipient (original property owner) repays to the program any debt outstanding at the time of the sale.

Projects must be completed within 180 days of the date they received approval. This is a reimbursement program. Applicant may request an extension in writing to the DDA Board of Directors prior to the 180-day deadline.

RIGHTS RESERVED

The DDA reserves the right to reject an applicant up to the time the DDA closes on its loan. The specific program guidelines detailed herein are subject to revision with the approval of the DDA Board of Directors and the Jackson City Council. The DDA and the city of Jackson may discontinue this program at any time, subject to any prior loan agreements.

REFERENCE MATERIALS

1. The Secretary of Interior's Standards for Rehabilitation
2. Downtown Jackson Façade Study and Use Recommendations 1985
3. For examples of other successful DDA Façade Program projects, please contact us for assistance.

Reviewed and approved by the DDA Board of Directors, May 14, 1998

DDA Board of Directors, May 12, 2011

DDA Board of Directors, November 12, 2015

DDA Board of Directors, June 10, 2021

Application for Downtown Building Façade Loan

Date of Application: _____

Applying for \$1,000 toward drawings? Yes No

1: APPLICANT INFORMATION

Applicant Name: _____

Business Name: _____

Home Address: _____

Tax ID#: _____

Applicant is: Property Owner Tenant

Phone: _____

Other: _____

Email: _____

2: PROPERTY INFORMATION – *Property must be located within the DDA District.*

Address: _____

City Property Codes/Parcel ID#: _____

Title Holder: _____

Title Holder Address: _____

Title Holder Phone: _____

Original Cost of Property to Title Holder: \$ _____

Date Purchased: _____

Current Market Value: \$ _____

Taxable Value: \$ _____ for Year: _____

If there are co-owners of the property, please attach a separate sheet listing each owner's name, address, telephone number, and percentage of ownership. If you are applying for a deferred loan as a tenant of the property, you must attach a letter from the property owner stating permission for program participation.

3: LIEN INFORMATION

Mortgage Holder: _____

Terms of Payment: _____

Original Amount: \$ _____

Date of Mortgage: _____

Current Balance: \$ _____

Date of Maturity: _____

Taxing Unit Owed: _____

Type of Tax: _____

Due Date: _____

Amount Delinquent: \$ _____

Lien on Property? Yes No

Other Amount Owed to: _____

Type: _____

Due Date: _____

Amount Delinquent: \$ _____

Lien on Property? Yes No

4: BUILDING INFORMATION

Number of floors above grade: _____ Year of construction: _____

Exterior wall construction: Solid masonry Concrete Steel beam w/ siding material
 Wood frame Other: _____

Current Use (indicate percentages):

Level	Retail	Office	Residential	Storage	Manufacturing	Other (specify)	Occupied/ Vacant
1							
2							
3							
4							
5+							

5: PROJECT INFORMATION – *Loan funds cannot be used for work done prior to approval of this application.*

Proposed Start Date: _____ Expected Completion Date: _____

Do you plan to restore the storefront to its original design/character? Yes No

Please give a brief yet detailed description of the improvements you would like to have done to your façade. (If necessary, attach additional sheets):

Proposed Improvements (check all that apply):

	Additional Approvals/Permits Needed – Approval of this application is contingent on all necessary approvals/permits being received by applicant prior to starting work	Approval / Permit Received
<input type="checkbox"/> Exterior Walls/Brickwork		<input type="checkbox"/>
<input type="checkbox"/> Painting	<i>Murals must be approved by Public Arts Commission & Planning Department</i>	<input type="checkbox"/>
<input type="checkbox"/> Non-Historic Façade Removal		<input type="checkbox"/>
<input type="checkbox"/> Signage		<input type="checkbox"/>
<input type="checkbox"/> Façade Cleaning		<input type="checkbox"/>
<input type="checkbox"/> Exterior Lighting		<input type="checkbox"/>
<input type="checkbox"/> Awnings		<input type="checkbox"/>
<input type="checkbox"/> Doors/Entryways		<input type="checkbox"/>
<input type="checkbox"/> Second Floor Entryways/Exits		<input type="checkbox"/>
<input type="checkbox"/> Exterior Stairs for Residences		<input type="checkbox"/>
<input type="checkbox"/> Window Repair/Replacement		<input type="checkbox"/>
<input type="checkbox"/> Storefront Construction		<input type="checkbox"/>
<input type="checkbox"/> Carpentry		<input type="checkbox"/>
<input type="checkbox"/> Handicap Accessibility		<input type="checkbox"/>
<input type="checkbox"/> Roof Flashing (related to façade work)		<input type="checkbox"/>
Describe any other issues that will be addressed:		

Expected Use After Completion (indicate percentages):

Level	Retail	Office	Residential	Storage	Manufacturing	Other (specify)
1						
2						
3						
4						
5+						

6: PROJECT FINANCING INFORMATION

Total Estimated Project Cost: \$ _____ Amount Requested from DDA: \$ _____

There is a matching financing requirement for the Downtown Building Façade Loan Program of at least fifty percent of overall project costs. Matching financing may take the form of a conventional loan or capital provided by the property owner, tenant or private investor(s), or a combination of these sources. Please specify below how you intend to finance your façade project, including the use of deferred loan funds obtained through the program.

Do you have any other pending grant/loan applications with the City of Jackson Neighborhood and Economic Operations Department or State of Michigan for this building? Yes, put details in list below. No

List all financial sources below. Include any funding for other projects on this building.

Source of Financing	Amount	Terms of Repayment	Maturity Date	How Endorsed, Guaranteed or Secured	To be applied to what portion of the building <small>(i.e. façade, interior construction, etc.)</small>

7: REQUIRED ATTACHMENTS – Applications will not be considered until all information is received.

- Current photos of building exterior (at least 2)
- Photo of original façade
- Basic drawings (can be submitted after approval of a “drawing grant,” if applicable)
- Contractor Cost Estimates
- Copy of the property deed and mortgage survey or legal description of the property
- Proof of property and liability insurance
- Copies of any leases associated with the property
- Proof that property taxes are paid
- Proof of Funds (see Section 6) – Preapproval letter from lenders or bank statements for cash
- Notarized letter from owner approving the project, if applicant is a tenant
- Copies of approvals/permits received for work to be completed (see Section 5)

You may be asked to provide additional information in support of your deferred loan application:

- Most recently filed income tax returns for your business
- Most recently filed personal income tax returns

8: APPLICANT CERTIFICATION AND UNDERSTANDING

The undersigned Applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining a Downtown Building Façade Loan for eligible program uses only and is true and complete to the best of the Applicant's knowledge and belief. Verification of any of the information contained in this application may be obtained from any source.

The Applicant understands that he or she will be responsible for all closing costs, including but not limited to, recording fees, and title search fees associated with obtaining a loan through the program. It is understood that the Applicant should have the basic elements in place to close on this Façade Loan within 60 days of Jackson DDA board approval: Project design plans and construction bids must be final and matching financing must be available. It is also understood that projects approved must be completed within 180 days of board approval, unless an extension is submitted and approved by the board. *Please note that funds will not be dispersed until the project is 100% completed.*

The Applicant further certifies that he or she has read and understands the Downtown Building Façade Loan Guidelines, including the additional reporting requirements of the Davis Bacon Act if funding is used towards labor. If a determination is made by the Jackson DDA that loan proceeds will not or cannot be used of the purposes described herein, the Applicant agrees that the proceeds shall be returned forthwith, in full, to the Jackson DDA, and acknowledges that, with respect to such proceeds so returned, he or she shall have no further interest, right, or claim. It is understood that all Jackson DDA loan commitments are contingent upon the availability of program funds.

1. I (we) understand that the submission of this application does not guarantee funding for the Jackson DDA Downtown Building Façade Loan.
2. I (we) agree that, if this application is approved, the work described will be completed.
3. I (we) agree that, sealed architectural working drawings will be provided.
4. I (we) agree that, if funding is approved, it will be used for the project listed within this application.
5. I (we) understand that the grant funds from the Jackson DDA will be provided after project construction has been completed, and after paid invoices and approvals have been submitted to the Jackson DDA.
6. I (we) understand that failure to comply with the agreed upon construction timeline will result in a retraction of grant funding and elimination of grant eligibility for one year.
7. I (we) understand that the Jackson DDA reserves the right to photograph buildings receiving façade improvement funds and provide information to various media sources.
8. I (we) the property owner(s) certify that I am (we are) not delinquent in city, county, state, or federal taxes.
9. I (we) understand that the property may not be in the process of sale during the façade improvement process.
10. I (we) understand that approval of this loan does not guarantee approvals by other City of Jackson departments necessary to complete the project. I (we) will obtain any necessary approvals/permits prior to starting work.

Applicant Signature: _____

Date: _____

I certify that I am (we are) the property owner of _____ and I (we) authorize the applicant to participate in the Jackson DDA Downtown Building Façade Loan program and complete the project described in this application.

Owner(s) Signature(s): _____

Date: _____