



Tenant Improvement Grant Program

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DLI BACKGROUND:

Downtown Lansing Inc. (DLI) is dedicated to making Lansing a place where people want to be, by encouraging its businesses, neighborhoods, and stakeholders to build a dynamic culture known for its vibrancy, sustainable growth, and business friendly environment.

OVERVIEW

Downtown Lansing Inc. offers grants and assistance exclusive to downtown businesses. The Tenant Improvement Grant program is a new grant program available to downtown properties and businesses, with a priority on rehabbing and revitalizing historic buildings within the downtown district. Grants are only eligible to non-tax-exempt businesses and organizations at this time.

Goals: The purpose of this program is to reduce vacancies, rehab older vacant commercial buildings, and support business while enhancing the physical appearance of our downtown district and improve the overall economic viability of Michigan's Downtown.

The proposed project should meet at least 1 of the following program goals:

- Rehabilitation of a vacant building or existing tenant space to open or expand a business.
- Improvements to a vacant tenant space to establish an initial occupancy to open or expand a business.
- Renovations or improvements to an existing building or tenant space (interior and exterior) to address code compliance issues affecting the economic viability of the proposed project.
- Project creates new employment opportunities.

APPLICATION PROCESS

1. Prospective applicant submits an application package which consists of an introductory letter providing an overview of the project, DLI Program Application, and supplementary documents including project estimates. Documents may be submitted in person, via US mail or email.
2. DLI will schedule a meeting with the applicant to review the program and discuss the improvement plans.
3. DLI will submit the application and all required paperwork to the Tenant Improvement Grant review Committee.
4. Upon approval, DLI will provide a Grant Commitment funding letter, subject to completion of the project according to city building permits, in compliance with DLI program requirements, and all other required approvals. The Grant Commitment funding letter serves as a notice to proceed with the interior and/or Tenant



Improvement Grant program. Any work completed before receipt of this letter risks that the work will be deemed ineligible for reimbursement.

5. DLI does not accept as a part of the project costs, any expenditures made before the date of the grant commitment letter. Construction and related work must commence within 45 days of DLI Commitment and be completed within 1 year after receipt of the Commitment Letter being sent out. (subject to weather and other unavoidable events).
6. Once construction has been completed and all necessary final City, DLI and Landlord (if applicable) approvals are obtained and documentation (copies of cancelled checks) showing the applicant's share of cost has been provided, DLI will process a check for payment of the approved grant amount payable to the applicant. Please plan on 30 days from submittal of required documents and approvals before grant funds will be received.

ELIGIBLE ACTIVITIES/COSTS

All improvements must be fixed/permanent. Incomplete applications **WILL NOT** be accepted. If applicant is applying for both Transformational Façade AND Interior Tenant Improvement grant funds, a maximum 50% program match or up to \$100,000 in grant funds will be awarded for reimbursement costs.

- TRANSFORMATIONAL FAÇADE IMPROVEMENTS: Building façade improvements must be on the exterior of the building. Grant award of 50% up to \$50,000 will be awarded.

Eligible Transformational Façade Improvements may include:

- Structural Improvements to façade
- Brick/stone/masonry repair
- Door/window/storefront system/trim replacement or repair
- Removal/replacement of inappropriate or incompatible exterior finishes or materials
- Exterior lighting on façade (not including lighting in your signage).
- Signage, awnings, doors (Businesses awarded sign grant over the past 5 years are not eligible for additional sign and/or awning funding)
- Exterior painting and stucco
- In order to cultivate more an accessible downtown experience for all users, improvements to create barrier free and accessible entryways will be considered as part of the overall façade improvement if there is an aesthetic component to the projects as well.

The grant funds are provided on a reimbursement basis and offers no upfront money. Grant funds will be awarded at half the total improvement costs needed, not exceeding \$50,000. For example: If the total project cost is \$40,000, \$20,000 will be the grant match. The grant recipient will be eligible to receive up to \$20,000



reimbursement after project completion. Or, if the total project cost is \$250,000, a maximum of \$50,000 will be the grant match. The grant recipient will be eligible to receive up to \$50,000 **reimbursement after project completion**.

- INTERIOR TENANT IMPROVEMENTS: Provides a small business owner project coordination and/or financial assistance for undertaking the rehabilitation and renovation of vacant or underutilized commercial properties located in the downtown district. Grant award of 50% or up to \$50,000 will be awarded.

Eligible Interior Tenant Improvement costs include:

- Capital costs, including the costs incurred or estimated to be incurred for the construction of public works or improvements, new buildings, structures, and fixtures; the renovation, rehabilitation, reconstruction, remodeling, repair, demolition, alteration, or expansion of existing buildings, structures, and fixtures; the acquisition of equipment; and the clearing and grading of land;
- Professional service costs, including those costs incurred with permits, the design phase, etc.
- Fire life/safety upgrades to satisfy current fire code regulations related to:
 - Fire sprinkler systems
 - Fire alarm systems
 - Fire panels
 - Smoke control systems
 - Kitchen hood systems
- Building & Safety upgrades to satisfy current building code regulations related to:
 - Egress upgrades, including panic hardware, illumination and exit signage
 - Ingress upgrades, including stairs, elevators, interior ADA ramps
 - Mechanical, plumbing and electrical upgrades
 - Energy code upgrades
 - Asbestos or similar abatement
- Accessibility upgrades to satisfy current code regulations related to:
 - Restroom remodel for ADA compliance
 - Egress upgrades including ramping, panic hardware, door swings
 - Ingress upgrades including, stairs, elevators, interior ADA ramps
 - Floor leveling/resurfacing to correct cracks or other obstructions

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The grant recipient may be eligible to receive up to \$100,000 reimbursement after project completion only if the project includes **both** a Transformational Exterior AND Interior Improvement.

Tenant/Property Owner Commitment: In order to be considered eligible, the business, whether property owner or tenant of the project, must demonstrate that they are:

- Committed to and has the ability to maintain or expand its business presence at the project location.
- Committed to maintain all project improvements for the useful life of the improvements.
- The project possesses positive economic attributes that will provide and increase economic activity around the surrounding neighborhood.

INELIGIBLE BUSINESSES/PROPERTIES

The following properties and businesses are ineligible from participation in the Interior & Exterior Improvement Program:

- a. New ground up building construction or additions to existing buildings.
- b. Single-family properties.
- c. Residential portions of a larger mixed-use development.
- d. Properties or projects which do not satisfy all of the program eligibility requirements.
- e. Any cannabis related businesses.
- f. Other business types: including:
 - Check cashing/payday advance
 - Adult stores/services
 - Packaged Liquor retailer
 - Store that sells firearms
 - Marijuana operations of any kind
 - Internet based business
 - Check cashing
 - Pawnbroker & auto pawn

APPLICATION PROCESS

- Retail Tenant Improvement Program Preliminary Application Projects requesting assistance must participate in a pre-qualification meeting with staff to determine project eligibility.
- Confirm that the subject property A District of the DLI business district.
- Confirm that the subject property is zoned commercial, industrial or mixed use. Or, in form based code districts, confirm that the proposed use is permissible in the applicable zone.



- Confirm that the tenant space is under 15,000 square-feet
- Confirm whether the proposed business qualifies for project coordination, funds reimbursement participation or both.
- Complete, sign and date the attached preliminary application and return to **audrey@downtownlansing.org**
- Copies of estimates for qualifying improvement expenses included (must include contractors/business(es) name you are working with.
- If you are a tenant, a copy of your signed lease will be required

Applications will be reviewed based on the criteria listed herein and in the order which they were received. Projects meeting the minimum qualifications will be moved forward for further review with the DLI Review Committee. Projects will be assessed thoroughly and chosen primarily on aesthetics, need, impact, financial capacity and their overall impact on their block as well as the downtown district.

DEADLINE TO APPLY:

Applications are accepted and reviewed on a rolling basis. *Awards are contingent upon the availability of program funds at the time of review.*

APPROVAL PROCESS

Approval for grant funds contributions shall be based on permit issuance date as outlined below:

1. Submittal of a completed Tenant Improvement Grant application form and the issuance of the projects.
2. Tenant or Landlord Improvement must have a certificate of occupancy permit by the City of Lansing.
3. DLI and/or the review committee shall have the ultimate authority to accept or reject each application, and have complete authority to decide whether requested work is eligible for this program.
4. Any tenant's or landlord's project that is not approved will be unable to apply for this or other DLI grants for 12 months.

ADDITIONAL GUIDELINES

- Property owner and/or applicant must not have any past-due bills or debts payable to the City of Lansing Property taxes must be current. Property must be free of all mechanic liens at time of application.



- The final selection of a contractor is the sole responsibility of the participating business. As such, the agency shall offer no warranty on work performed. The applicant should obtain any desired warranty information from the contractor in writing.
- If Applicant closes their business before the end of the 24 month following receipt of grant funds, does not complete the project as approved, or does not fulfill landlord requirements (ex: mortgage/rent payments) the Applicant will be responsible for paying back the Tenant Improvement Grant funds.

To submit your application email audrey@downtownlansing.org. Applications must include all required attachments.

*****Please note, submission of this application does not guarantee you will receive a grant or move forward to the full application process. If you have any questions or issues with the application, please contact Downtown Lansing Inc. at 517-485-3322 or email audrey@downtownlansing.org***



Downtown Lansing Inc.
Tenant Improvement Program
Preliminary Application Form

Project Name

Address:

| | | | | |
|---|--|--|----------------------------------|--------------------------------|
| Property Owner | | | Project FTE Employees: | |
| Applicant | | | Project Sq. Footage | |
| Applicant Email | | | Existing Vacant Space: | |
| Phone | | | Proposed Use or Occupancy | |
| Is applicant a Woman or Minority owned business? No Yes - W M Other: | | | # Of new jobs: | # Of years in business: |

Project Summary & Requested Funding Amount:

Based upon the above summary and data, it has been determined that the project:

Qualifies for Project Coordination (Y/N): _____

Qualifies for Funds Reimbursement (Y/N): _____

Signature of Staff

Date:

DLI Funds Reimbursement Disclaimer

This is a reimbursement grant. For projects qualifying for reimbursement, the Applicant acknowledges that the Tenant Improvement Program will only pay for qualifying expenditures as outlined in the Downtown Lansing Tenant Improvement Program description. This Form acknowledges that the Project as currently proposed meets the minimum qualifications in order to apply for the Funds Reimbursement Application; however, it does NOT ensure approval of the Application. This form also acknowledges that should the business close, not complete the Project as approved, or be found to have been dishonest regarding work completed, the Applicant will be responsible for reimbursing the full Project costs to DLI.

Signature of Applicant:

Date:

Applicant Name/Responsible Party:



Downtown Lansing Inc.
Tenant Improvement Program
Funds Reimbursement Application

| | | |
|------------------------|--------|---------------|
| Property Owner: | Name: | Company Name: |
| | Phone: | Email: |
| Applicant: | Name: | Company Name: |
| | Phone: | Email: |
| Contractor | Name: | Company Name: |
| | Phone: | Email: |

Program Eligibility Checklist

| | | |
|-------------------------------|--|-------------------------------------|
| Project Name: | | Project Address: |
| Project FTE Employees: | | Existing Vacant Space (Y/N): |
| Project Sq. Footage: | | Proposed Use or Occupancy: |

Notes:

Project Description

1. Provide an itemized list of building improvements from the building plans for a City Certificate of Completion or Tenant Improvements for a Certificate of Occupancy for the City of Lansing Code Compliance. (please attach a copy of the Contractor's invoice or estimate with line item cost breakdown for each building improvement itemized. Use an additional sheet if necessary)



2. Please describe the extent to which the existing building is either not up to code, underutilized, in need of build-out or substantially dilapidated and how the financial impact of addressing this issue/issues affects your ability to move forward with your project/business. (If possible, please attach photos of space and any code compliance issues).

3. List the names of entities or persons who will contribute funds being leveraged with Tenant Improvement Program funds to pay any contractors for this project. Prior to payment of the reimbursement via the Tenant Improvement Program, written consent from any other entities or persons allowing the reimbursement to be paid to the Applicant are required. (Use an additional page if necessary.)

4. Describe how you intend to maintain the Tenant Improvement Program funded building improvements throughout their useful life (a minimum of 3 years).

Execution of Application: The Applicant acknowledges that Downtown Lansing Inc.'s (DLI's) Tenant Improvement Grant Program will not pay for any work which commenced prior to the award of the Tenant Improvement Program (TIP) funds as evidenced by the executed TIP agreement. Any work started prior to the execution of the Agreement shall be the Applicant's responsibility. Furthermore, the Applicant acknowledges that it must expend its matching contribution prior to any reimbursement of DLI TIP funds. In addition, Applicant understands and acknowledges that if Applicant closes their business before the end of the 3 year minimum, does not complete the project as approved, or does not fulfill landlord requirements (ex: mortgage/rent payments) the Applicant will be responsible for paying back the Tenant Improvement Grant funds.

By signing below, the Applicant acknowledges that they have read DLI's TIP Program information and manual and satisfies all program guidelines as outlined in the Manual. This includes, but is not limited to, not having any past due bills or debts to the City of Lansing and DLI, does not have any past due rent/lease payments to your existing landlord, and property taxes must be current, and property must be free of all mechanics liens.

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| Applicant Signature: | Date: |
| Print Name: | |

