

Things take time to happen

- › Any sale may take time and may not happen before the first payment comes due.
- › Propose that City reserve some of our incoming FEMA reimbursements as “working capital” to make the first couple of bond payments.
- › We can grow our tax base, but that will take time; and will only happen if taxable (private) development is supported.

Leveraging the Investment

- › MEDC has announced a grant opportunity.
- › “Revitalization and Placemaking” through ARPA
- › 50% match
- › Up to \$1,000,000
- › More \$ if Real Estate (private) investment
- › Applications due this spring



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

REVITALIZATION & PLACEMAKING

The Revitalization and Placemaking (RAP) program is an incentive program that will deploy \$100 million in American Rescue Plan funding to address the impacts of COVID-19 in Michigan communities. The program will provide access to real estate and place-based infrastructure development gap financing through grants of up to \$5 million per project for real estate rehabilitation and development, grants of up to \$1 million per project for public space improvements and grants of up to \$20 million to local or regional partners who have developed a coordinated subgrant program.

Eligible applicants are individuals or entities working to rehabilitate vacant, underutilized, blighted and historic structures and the development of permanent place-based infrastructure¹ associated with traditional downtowns, social-zones, outdoor dining and place-based public spaces.

The RAP program will award funding to eligible applicants based on one or more competitive application rounds, with the first application round being announced in early 2022.

PROGRAM GOALS

- Partner with local Michigan communities to proactively address the negative economic impacts of the pandemic by investing in projects that promote

AWARD STRUCTURE AND FUNDING

- All awards will be structured as grants with performance milestones and reporting requirements. All awards must meet all requirements of the American Rescue Plan Act of 2021, Public Law 117-2 and comply with its attendant federal regulations, 31 CFR 35, as amended from time to time.
- Grant awards may be made directly to individual projects, or to local or regional partner organizations for regranting to local communities or projects.
- The minimum grant award is \$500,000 and the maximum awards are \$5 million per project for real estate rehabilitation and development, \$1 million per project for public space place-based infrastructure and \$20 million for local or regional partner applicants that develop a subgrant program. Requests for subgrant awards must demonstrate local or regional coordination to implement a revitalization strategy.

What is the required match to receive a grant?

The minimum required match for RAP awards 50 percent of the project's eligible costs as detailed in the RAP program guidelines. For example: if the project's eligible costs are \$4 million, then the maximum RAP grant award would be the lesser of \$2 million or the financing gap as demonstrated in the application and verified through program underwriting review.

What types of projects are they looking for?

rehabilitation and development, grants of up to \$1 million per project for public space improvements and grants of up to \$20 million to local or regional partners who have developed a coordinated subgrant program.

5. Long-term impacts: Competitive applicants will be able to articulate how the proposal will have a long-term impact in the community, including addressing how it will enable growth in population and tax revenue.

of the pandemic by investing in projects that promote population and tax revenue growth through the revitalization and repurposing of vacant, underutilized, blighted or historic buildings and investment in place-based infrastructure.

Eligible applicants are individuals or entities working to rehabilitate vacant, underutilized, blighted and historic structures and the development of permanent place-based infrastructure¹ associated with traditional downtowns, social-zones, outdoor dining and place-based public spaces.

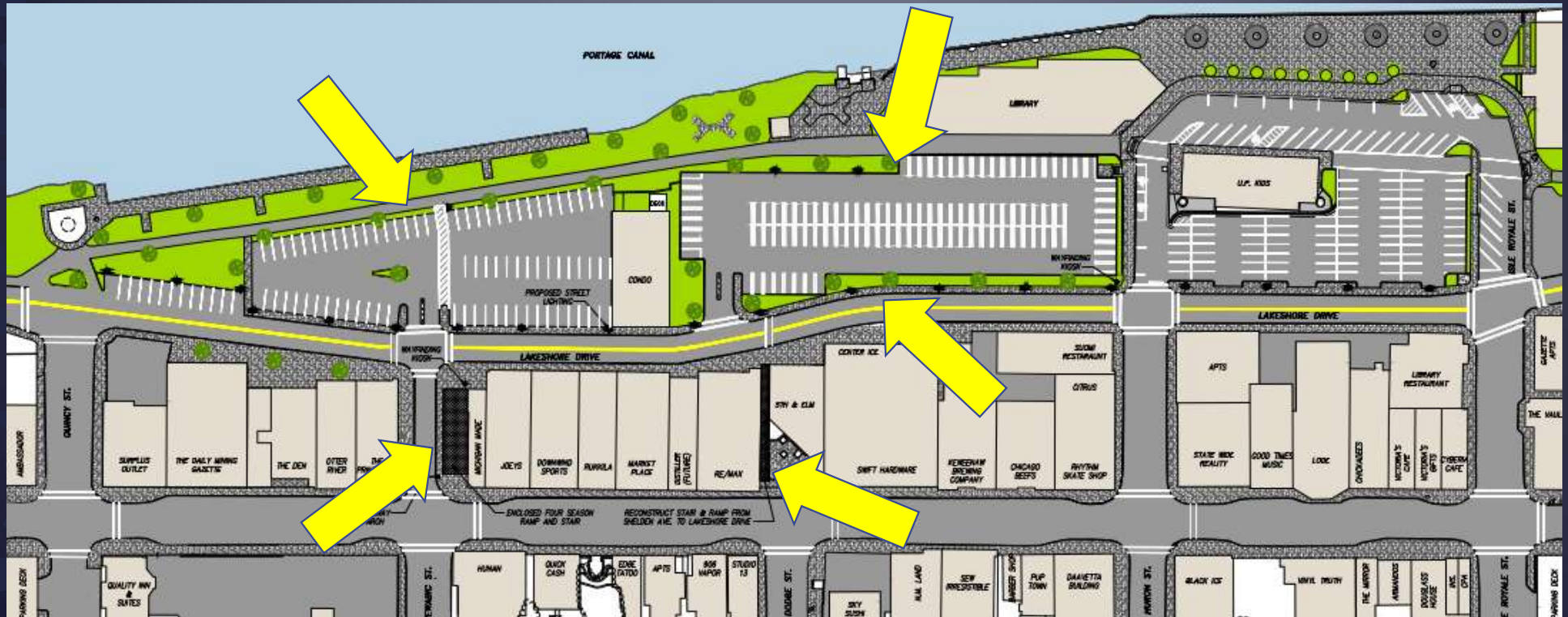
8. Local and regional impact considerations:

A project should demonstrate how it supports the vision and goals stated in the local master plan, downtown plan, capital improvements plan and/or economic development strategy, along with the readiness of infrastructure.

How we leverage that investment:

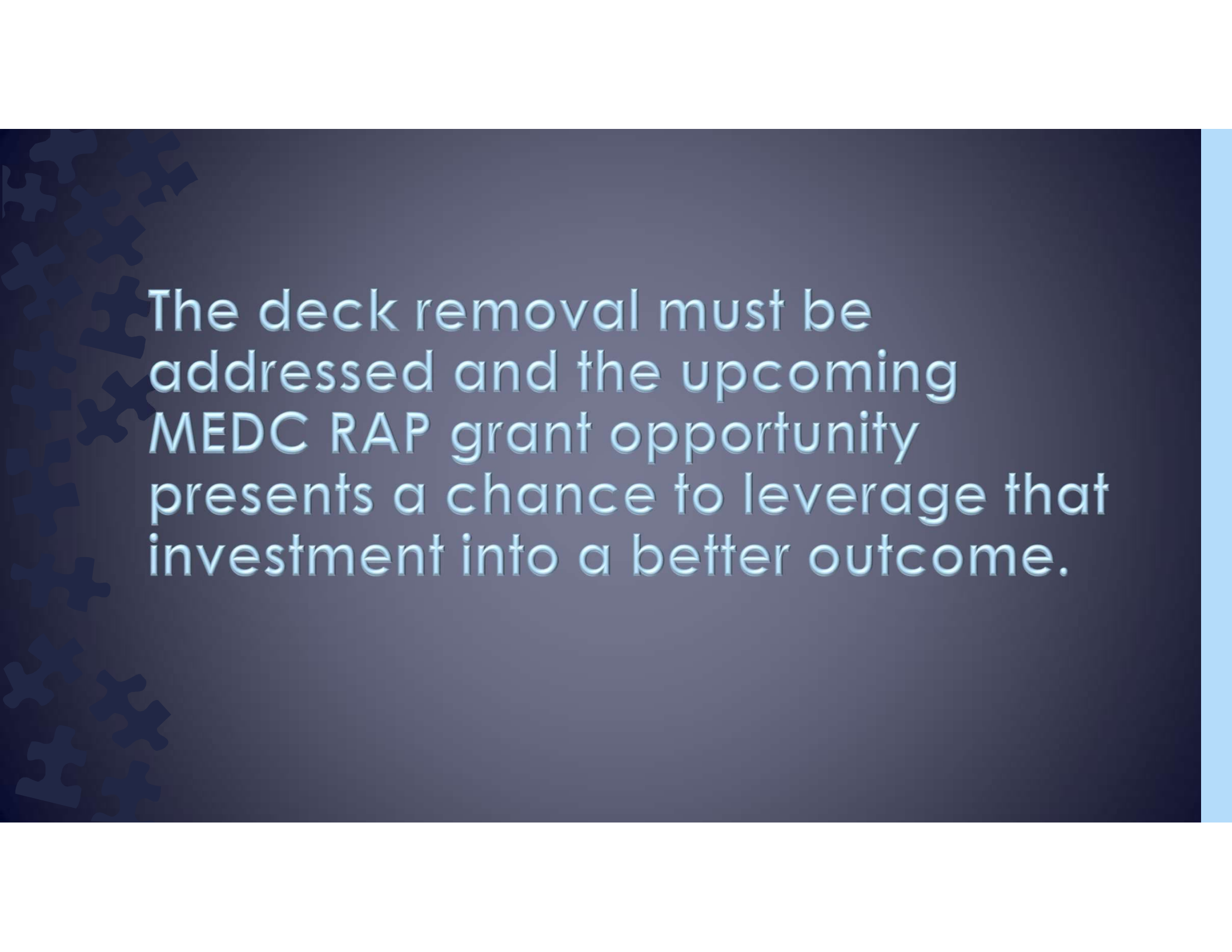
- › Use the bonded investment as match
- › Address the need to rehabilitate and revitalize the Lakeshore Drive corridor, now covered by the deck, into a downtown asset
 - Sidewalks
 - Street trees
 - Lighting
 - Landscaping
 - Rain gardens
 - Public spaces
 - Walkable connections between Sheldon, Lakeshore, and waterfront

Something like this: LAKESHORE DRIVE CORRIDOR CONCEPT



Only a concept, but a lot of potential

- › Estimated cost: \$900,000 to \$1,250,000
- › Four season walkable transitions from Lakeshore to Shelden
- › Central gateway to waterfront
- › Maximize parking for the time being, but allows for other uses in future
- › Sets the stage for current building uses to be reimagined



The deck removal must be addressed and the upcoming MEDC RAP grant opportunity presents a chance to leverage that investment into a better outcome.



As part of that plan there is a lot of work to do:

- › Council, Planning Commission, and DDA involvement
- › Public hearings for grant application and bond
- › Public input on future uses of property
- › Professional services available to assist thru RRC
- › Plan development to utilize best practices for parking, green space, water management, etc.
- › Assist transition of deck-level access for new opportunities
- › Optimizing parking opportunities throughout the downtown

What is asked of the Council:

Does this City Council want administration to move forward with starting the bonding process with our financial advisor and bond attorney for a bond of about \$1 million to cover the cost of demolishing the deck and making some repairs to the parking area, then apply to MEDC for a Revitalization and Placemaking grant to leverage the bonded work to further improve the streetscape on Lakeshore Drive, and engage an engineer to develop the plans for the demolition work and a streetscape project?