



City of Michigan City Redevelopment Commission Upper Story Residential Program

Purpose of the Grant Funds

The Michigan City Upper Story Residential Program through the Redevelopment Commission (“Commission”) is designed to promote new downtown residential units. The goals of this program are to support additional residential units in the North End of downtown, add residential density back to the downtown to support existing businesses, and create economic development opportunities within the North End as well as the surrounding area. Furthermore, the project supports preservation through adaptive reuse of historic buildings within the historic districts as well as the construction of new mixed-use buildings in downtown.

Application Process

Applicants **must** first schedule and meet with the Planning Director and staff to discuss their project prior to submitting an application.

Eligible Properties

To be eligible for the grant program, an applicant and commercial building shall meet all of the following criteria:

- New units in the upper stories of commercial, mixed-use buildings located in the area defined by Exhibit A attached map.
- Applicant, property and building shall not be delinquent in property taxes.
- Properties and buildings with existing code violations or deficiencies must include their remedy as part of the proposed improvements.
- Property required to be free of any tax liens and mechanic’s liens and provide evidence that payments on any loans secured by the building are current.
- Residential spaces created between August 25, 2013 and August 25, 2014 within the area stated above may be considered but must meet same criteria as the new residential units.

Application

Applications are to be submitted to the Planning Director or their designee.

A completed application in general consists of the following information:

- Predevelopment meeting with the Planning Director or their designee
- A completed application form
- Narrative description of all rehabilitation work to be completed at the location
- Several color photos of the current location

- Design plans which accurately delineate the square footage of units and accurately detail any alterations made to the structure
- Itemized project cost estimate based on contractor estimates
- Evidence of ownership
- Evidence of property insurance
- Projected date of project completion
- Evidence of secured funding to complete project

General Eligible Expenses

- Residential units on the upper stories of commercial, mixed-use buildings
- All residential units are eligible but apartment/rental space is highly desirable
- Designer or Architectural fees up to 12% of total project cost
- Grant can only be used to create residential upper story space in commercial, mixed-use buildings both new and existing
- Any interior work to the upper stories of the structure
- Window replacement or rehabilitation
- Appliances and mechanicals which are permanently affixed to the structure
- Finish work and cabinetry which are permanently affixed to the structure
- Sprinkler systems and fire suppression systems
- Units need to be of superior quality, design, and functionality **The goal of the program is not to overbuild units into buildings but create safe, high quality units with ample space and accommodations.*

Examples of Ineligible Expenses

- Creation of retail space in upper stories
- Demolition of historic façade if applicable or alteration of the historic façade
- Purchase of appliances which are not permanently affixed to the structure
- Purchase of any luxury item that is not permanently affixed to the structure
- Any ground floor repairs that do not directly benefit the creation of residential units on the upper story **Exceptions may include the creation of ground floor entrances in the form of historic recessed entries on the front facade and/or other entry ways to access upper story residential space.*

Grant Procedure

The Michigan City Planning Department along with representatives of the Redevelopment Commission will review the applications and make recommendations for funding. Each application will be evaluated on its own merits and how it fits into the goals of the Upper Story Residential Program.

Funding and Payment

The program is a reimbursement grant paid upon completion of the project. Once a Certificate of Occupancy (C of O) has been issued, grant funds are released to the awardee.

Applicants are eligible for up to \$15,000 per unit. A maximum of four (4) units per floor will be funded with a maximum eight (8) units per building and a maximum funding of \$120,000 per building.

Multiple units are preferred however the commission will consider the creation of single units and reserves the right to reduce the eligible amount for single unit projects.

The property which a grant is being applied for must be current on all taxes, fees, utilities, etc.

A development agreement will be executed between the City of Michigan City Redevelopment Commission and the awardee. The development agreement will outline the roles of all parties as well as completion time and financial commitments. **Construction may not begin until a Development Agreement is executed.*

The awardee has **12 months** from the execution of a development agreement to complete their project. This timeframe includes receiving a State of Indiana Construction Design Release (CDR) for the units and a Certificate of Appropriateness from the Historic Review Board if applicable.

Recipient Notification and Additional Information

All applicants will be notified if their project has been accepted as described in the original application, accepted with conditions, or rejected.

Selected applicants will be presented to the Michigan City Redevelopment Commission (MCRC) for final approval of their application, afterwards a letter of receipt will be sent to the applicant.

Upon project completion, awardee must submit all receipts for purchases of materials and payments for work completed by contractors, designers, and engineers to the Planning Director or their designee.

The Planning Director or their designee will inspect the completed work for conformity with the executed development agreement, plans, and designs.

A Certificate of Occupancy is required and must be issued before the project will be considered a complete project and eligible for reimbursement.

Parking for residences in downtown is always a complicated issue. This program will be required to meet the parking regulations in Section 18 of the Michigan City Joint Zoning Ordinance.

This program can be coupled with the downtown façade improvement grant or other grants as available.

Please contact the Michigan City Planning Department

City Hall

100 E. Michigan Blvd.

Michigan City, Indiana 46360

219-873-1419

MICHIGAN CITY UPPER STORY RESIDENTIAL PROGRAM APPLICATION

1. Applicant Information

NAME: _____

ADDRESS OF PROPERTY TO BE IMPROVED:

NAME OF BUSINESS: _____

TAX ID#/SOCIAL SECURITY #: _____

HOME ADDRESS: _____

BUSINESS PHONE: _____ HOME PHONE: _____

FAX: _____ EMAIL: _____

2. Project Information

BUILDING LOCATION: _____

BUSINESS(ES) LOCATED IN BUILDING:

BUILDING AGE: _____ BUILDING LOCATED IN HISTORIC DISTRICT? _____

BUILDING ZONED AS: _____ PIN NUMBER: _____

OWNER OF RECORD: _____

IF LEASED: Lease Expires _____ Renewal Term _____

Owner _____

3. Project Description

On a separate page please describe in detail the proposed scope of work including design firm and/or contractor(s) selected. In describing project, be sure to include the total number of new units to be created and the square footage of each new unit.

Anticipated Construction

Start Date: _____ Completion Date: _____ Total Project Cost: _____

4. Mortgage Information

Is there a current Mortgage on the property: YES _____ NO _____

If YES, Holder of Mortgage

Date of Mortgage: _____

Original Amount: _____ Current Balance: _____

Are there any other loans, liens, deed restrictions on the property:

YES _____ NO _____

If YES, please list:

Provide evidence that loans secured by the building are current.

5. Building Information

Will project result in a change of use for the building or specific floors? YES _____ NO _____

Uses or anticipated uses of the floors:

1st Floor:

2nd Floor:

3rd Floor:

Other:

6. Other Required Documentation

- a. Property deed with legal description of property
- b. Proof that all property taxes are paid and current
- c. Proof of Title Commitment showing current ownership of property and an indication of clear title free of any other liens or encumbrances.
- d. Proof of property and liability insurance
- e. Signed mortgage note
- f. Copies of any leases associated with property
- g. Project budget
- h. Two (2)-contractor quotes/construction bids for total project
- i. Photographs of proposed project site
- j. Detailed drawings and design layouts

I/We certify that all information set forth in this application is a true representation of the facts pertaining to the subject property for the purpose of obtaining funding under the Upper Story Residential Program. I understand and acknowledge that any willful misrepresentation of the information contained in this application could result in disqualification from the program, requiring any funds already disbursed to be repaid in full to the Michigan City Redevelopment Commission.

The applicant further certifies that he/she has read and understands the Upper Story Residential Program Guidelines. If a determination is made by the Commission that program funds have not been used for eligible program activities, the Applicant agrees that the proceeds shall be returned, in full, to the Michigan City Redevelopment Commission and acknowledges that, with respect to such proceeds so returned, he/she shall have no further interest, right, or claim. It is understood that all Upper Story Residential Program funding commitments are contingent upon the availability of program funds.

Signed this _____ day of _____, 20 _____

By: _____

