



City of Michigan City Redevelopment Commission North End Façade Program

Program Purpose

The Michigan City North End Façade Program through the Redevelopment Commission (“Commission”) is designed to promote the continued use and maintenance of commercial and mixed-use buildings in the north end area. It is intended to help property owners and commercial tenants to rehabilitate and restore the visible exterior of existing structures. Improvements must meet criteria for appropriateness of design. Forgivable loans are provided to property owners or commercial tenants in recognition of the positive impact that individual building improvements can have on the overall appearance, quality and vitality of downtown Michigan City.

Eligible Properties

To be eligible for a North End Façade Program forgivable loan, an applicant and building shall meet all of the following criteria:

- 1) A building must be used in whole or in part for commercial purposes and located within the area defined by Exhibit A attached map.
- 2) Property, building and applicant shall not be delinquent in property taxes.
- 3) Properties and buildings with existing code violations or deficiencies must include their remedy as part of the proposed improvements.
- 4) 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.

What Loans Are Available?

The maximum amount of the forgivable loan for a specific property will be set forth in a Façade Improvement Agreement between the Commission and the property owner or tenant. If costs exceed the original estimates, the property owner or tenant shall be solely responsible for the payment of the full amount of the excess. The Commission cannot reimburse more than the total amount specified in the Agreement.

Forgivable loans are subject to Federal and State taxes, and are reported to the Internal Revenue Service on Form 1099. You are required to provide your taxpayer ID number or social security number as part of the Façade Improvement Agreement. Property owners and tenants should consult their tax advisor for tax liability information.

The following items are not eligible for forgivable loans under the Façade Improvement Program:

- Building Permit fees and related costs
- Extermination of insects, rodents, vermin and other pests
- Sidewalks – replacement or private sidewalks
- Title reports and legal fees
- Acquisition of land or buildings
- Air conditioning and heating facilities
- Electrical wiring or service upgrade, except electrical work necessary to illuminate an eligible sign.
- Elevators – repair or installation
- Interior floor or ceiling replacement and repair
- Plumbing
- Refinancing existing debt
- Sprinkler systems
- Sweat equity
- Working capital for businesses
- Resurfacing of parking lots
- Landscaping

Improvements not specifically listed as eligible or ineligible are subject to review as to eligibility and approval or disapproval by the Michigan City Redevelopment Commission.

The Redevelopment Commission will consider the architectural appropriateness of proposed improvements using the approval and recommendation by the Planning Department and Historic Review Board. Improvements that are not architecturally appropriate, as determined by the Commission are not eligible for a forgivable loan.

Approval of Façade Improvement Agreement

Buildings that have not received a Façade Improvement Program forgivable loan in the past will have first consideration. After all first time users are processed, the remaining applications will be considered in the order in which they were received. In the event that the total amount of the potential forgivable loans exceeds the amount budgeted for the program for that fiscal year, the applications which cannot be approved due to budget limitations will be carried over for consideration during the following fiscal year. Not more than one North End Façade Agreement shall be approved for a building in any fiscal year, and a North End Façade Agreement shall not be approved if a Façade Improvement grant was made for the same portion of the building within the previous five years. Maximum forgivable loan funding per building is \$30,000.

Architectural construction drawings and specifications for the improvement to the extent required by the Michigan City Building Code, following Commission approval of a Façade Improvement Agreement.

Construction supervision conducted after Commission approval of the Façade Improvement Agreement.

Major changes or elimination of improvements must be approved by the Redevelopment Commission. Minor changes must be approved by the Planning Director/Executive Director.

Alterations

The property owner and tenant shall be responsible for maintaining the façade improvements without alteration for three (3) years unless approved by the Planning Director/Executive Director. A restrictive covenant limiting alterations may be required by the Commission at the time of approval of the Façade Improvement Agreement.

MICHIGAN CITY NORTH END FAÇADE PROGRAM

Application Form

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 _____

3. Project Description

Describe in detail the proposed scope of work including design firm and/or contractor(s) selected. In describing project, be sure to differentiate

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 façade project
- i. Photographs of proposed project site

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 Façade Improvement 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 Façade Improvement 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 Façade Improvement Program funding commitments are contingent upon the availability of program funds.

Signed this _____ day of _____, 20 _____

By: _____

maximum of sixty percent (60%) of the approved contract cost of such improvements and 2) in reimbursing Owners/Lesseees for 100% of the cost of the services of an architect for such façade improvements up to a maximum of 12% of project cost, or \$5,000 whichever is less, per building, as set forth herein, but in no event shall the total COMMISSION participation exceed a maximum reimbursement amount of thirty thousand dollars (\$30,000) per building; and

WHEREAS, the OWNER/LESSEE's property is located within the Façade Improvement Program Area, and the OWNER/LESSEE desires to participate in the Façade Improvement Program pursuant to the terms and provisions of this agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements obtained herein, the COMMISSION and the OWNER/LESSEE do hereby agree as follows:

SECTION 1:

With respect to façade improvements to the front and side of a building and related eligible improvements, the COMMISSION shall reimburse OWNER/LESSEE for the cost of improvements to the OWNER/LESSEE'S property at the rate of sixty percent (60%) of such cost, and shall reimburse OWNER/LESSEE for 100% of the cost of fees for architectural services pertaining to such improvements, up to a maximum amount of 12% of project cost or \$5,000, whichever is less per building as defined herein, provided that the total reimbursement for improvements to the front and side of a building and related eligible improvements and architectural services shall not exceed thirty thousand dollars (\$30,000) per building.

The actual total reimbursement amounts per this Agreement shall not exceed \$30,000 for façade improvements per building to the front and sides of a building and related eligible improvements. The improvement costs that are eligible for Commission

SECTION 4: Upon completion of the improvements and upon their final inspection and approval by the Planning Director, the OWNER/LESSEE shall submit to the COMMISSION a properly executed and notarized contractor statement showing the full cost of the work as well as each separate component amount due to the contractor and each and every subcontractor involved in furnishing labor, materials or equipment in the work. The OWNER/LESSEE shall also submit to the COMMISSION a copy of the architect's statement of fees for professional services for preparation of plans and specifications. The COMMISSION shall, within thirty (30) days of receipt of the contractor's statement, proof of payment and lien waivers, and the architect's statement, issue a check to the OWNER/LESSEE as reimbursement for work completed as per the façade agreement, subject to the limitations set forth in Section 1 hereof.

In the alternative, at its sole discretion, COMMISSION may reimburse the OWNER/LESSEE in one or two payments. The first payment may be made only 1) upon completion of work representing 50% or more of the maximum reimbursement specified in Section 1 hereof and 2) upon receipt by COMMISSION of the architect's invoices, contractor's statements, invoices, and 3) upon a determination by the Planning Director that the remainder of the work is expected to be delayed for thirty days or more following completion of the initial work due to weather, availability of materials, or other circumstances beyond the control of the OWNER/LESSEE. The second, final payment shall be made by COMMISSION only upon submittal of all necessary documents as described herein.

OWNER/LESSEE further acknowledges in the event any unapproved changes, alterations, or demolition are effected upon the herein described improvements during the aforementioned three-year (3) time period, the OWNER/LESSEE, or their successor or assignee, shall be financially liable to the COMMISSION in a pro rata amount as calculated by the number of months remaining in said three-year (3) time period. (By way of example: in the event of the modification or demolition of a facade improvement valued at \$30,000 two (2) years after completion, the OWNER/LESSEE or their successor in interest would be responsible for the sum of \$10,000 in repayment to the COMMISSION. $\$30,000 \text{ divided by } 36 \text{ months} = \$833.33/\text{month} \times 12 \text{ months} = \$10,000.$)

SECTION 7: The OWNER/LESSEE releases the COMMISSION from, and covenants and agrees that the COMMISSION shall not be liable for, and covenants and agrees to indemnify and hold harmless the COMMISSION and its officials, officers, employees and agents from and against, any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from or in any way connected with directly or indirectly with the façade improvements(s), including but not limited to actions arising from the Indiana Common Construction Wage Act (Ind. Code § 5-16-7 et seq.) The OWNER/LESSEE further covenants and agrees to pay for the COMMISSION and its officials, officers, employees and agents for any and all costs, reasonable attorneys' fees, liabilities or expenses incurred in connection with investigating, defending against or otherwise in connection with any such losses, claims, damages, liabilities, or causes of action. The COMMISSION shall have the right to select legal counsel and to approve any settlement

DECLARATION OF RESTRICTIVE COVENANT ON REAL PROPERTY

THIS DECLARATION OF RESTRICTIVE COVENANT ON REAL PROPERTY is made by _____
[owner(s) name(s)]

as of the _____ day of _____, 20__.

WHEREAS, _____
[owner(s) name(s)] is/are the owner(s) of certain real property (the Subject Property) located in Michigan City, La Porte County, Indiana, more particularly described as:
[insert Subject Property legal description]

WHEREAS, the Subject Property is located within the Michigan City North End Façade Improvement Program Area (MCNEFIP), as administered by the Michigan City Redevelopment Commission (MCRC); and

WHEREAS, the owner(s) of the Subject Property have applied for and been approved to receive a UADFIP loan; and

WHEREAS, as a condition to the issuance of the aforereferenced MCNEFIP loan, the MCRC desires to restrict the change, alteration, removal, or demolition of any approved and funded façade improvements to the Subject Property; and

WHEREAS, the owner(s) are willing to record this Restrictive Covenant in order to finalize the UADFIP loan process:

NOW, THEREFORE, _____
[owner(s) name(s)]
hereby agrees and declares:

1. Once completed, no façade improvements to the Subject Property which have been approved and funded by the MCRC shall be altered, changed, removed, or demolished in any way except for normal maintenance and/or repair without the prior written approval of the MCRC.
2. Such express restriction shall commence upon the final completion of said improvement(s) and continue for a period of three

FINAL WAIVER OF LIEN

STATE OF INDIANA)
) SS
COUNTY OF)
) GTY. # _____
) LOAN # _____

TO WHOM IT MAY CONCERN:

Whereas the undersigned has been employed by _____
to furnish _____

_____ for the premises known as _____
of which _____ is the Owner/Lessee.

The undersigned, for and in consideration of _____
(\$ _____) Dollars, and other good and valuable consideration, the receipt
whereof is hereby acknowledged, do(es) hereby waive and release any and all lien or claim of, or
right to, lien, under the statutes of the State of Indiana, relating to mechanics' liens, with respect
to and on said above-described premises, and the improvements thereon, and on the materials,
fixtures, apparatus or machinery furnished and on the moneys, funds or other considerations due
or to become due from the owner, on account of labor, services, materials, fixtures, apparatus or
machinery heretofore furnished or which may be furnished at any time hereafter, by the
undersigned for the above-described premises.

Given under _____ hand _____ and seal _____
this _____ day of _____, _____.

Note: All waivers must be for the full amount paid. If waiver is for a corporation, corporate name should be used,
corporate seal affixed and title of officer signing waiver should be set forth; if waiver is for a partnership,
partnership name should be used, partner should sign and designate himself as partner.

**SWORN STATEMENT FOR CONTRACTOR AND
SUBCONTRACTOR TO OWNER**

STATE OF INDIANA)
)SS
COUNTY OF)

The affiant, (name) _____
being first sworn on oath, deposes that he is (position) _____
of (name, address, phone of firm) _____
who is the contractor for (owner of premises) _____
work on the building located at (address of premises) _____
and performed (describe kind of work) _____

The purpose of said contract the following persons have been contracted with, and have furnished, or are furnishing and preparing materials for, and have or are doing labor on said improvements. That there is due and to become due them respectively, the amount set opposite their name for materials or labor as described. That this statement is a full, true and complete statement of all such persons, the amounts paid and the amounts due or to become due to each

Name/Address	Kind of Work	Amount of Contract	Retention (Incl. Current)	Net Previously Paid	Net Amount This Payment	Balance to Complete

Amount of Original Contract	\$ _____	Work Completed to Date	\$ _____
Extras to Contract	\$ _____	Less _____ % Retained	\$ _____
Total Contract & Extras	\$ _____	Net Amount Earned	\$ _____
Credits to Contract	\$ _____	Net Previously Paid	\$ _____
Balance to Become Due (including Retention)	\$ _____		

I agree to furnish Waivers of Lien for all materials under my contract when demanded.

Signed _____ Position _____
Scribed and sworn to before me this _____ day of _____,
Notary Public _____

The above sworn statement should be obtained by the owner before each and every payment.

North End Facade Program Area

