

# **HOLLAND REBORN BUILDING/BUSINESS INCENTIVE GRANT PROGRAM**

**Façade Improvements  
Building Improvements  
Property Redevelopment/Remediation**

**Administered by:**

**Holland Municipal Development  
District**

**September 2022**

# Holland Reborn

## **CURRENT CONDITIONS**

A cumulative effect of a loss of businesses in town has created a deteriorated local tax base, and lack of maintenance and improvements in commercial areas such as downtown .The deteriorated physical appearance of Holland perpetuates a negative impression of the community which creates a negative feedback loop for residents and visitors.

For example, the downtown vacancy rate is 52%; taxable downtown properties make up 2.4% of the City's total tax base; downtown businesses contribute 0.6% to the City's sales tax revenue.

The purpose of this policy document is to try to correct these conditions.

## **VISION AND GOAL**

The City of Holland seeks to have a strong, locally grown economy that is kid and dog friendly.

This policy will address the business aspects of this vision statement by providing targeted incentives to attract entrepreneurs and businesses to invest in Holland.

## **PROGRAM OBJECTIVES**

The City of Holland and the Holland Municipal Development District seek to create a vibrant community where:

- Downtown is attractive so that a positive impression of the community is created.
- Investment in commercial buildings is stimulated so that local jobs are created and tax revenue generated.
- Investment risk in blighted and distressed properties is reduced.



## **PROGRAM COMPONENTS**

The Building/Business Incentive Grant Program has three components which may or may not be used in combination with each other

1. Façade Improvements – a 50% matching grant program to improve the exterior appearance of commercial buildings
2. Building Improvements – a matching grant program to reactivate blighted and distressed buildings through improvements in the plumbing, electrical, and structure.
3. Property Redevelopment/Remediation – a matching grant program meant to reduce investment risk in blighted commercial properties in Holland.

## **ELIGIBLE APPLICANTS**

To be eligible to receive assistance in any one of the three program components, all applicants must:

1. Be either a property owners or tenant/business owners of properties located in a business-zoned property (zoning classification commercial or industrial) within the City of Holland and its ETJ area.
2. Business owners/tenants must have been at the location for at least six months. New businesses must submit a written Business Plan. Business tenants (non-property-owners) must have the property owner's express consent for the proposed improvements.
3. To participate in the Program, Applicants must complete and submit the Program application form provided by the MDD along with the required attachments.
4. Property taxes must be current, and participants must represent that to the best of their knowledge they have no debts in arrears to the City when a commitment letter is issued.
5. Further, the Applicant must certify that there are no current code enforcement actions pending against the property that would not be mitigated by the project. The applicant must describe measures to remedy active code enforcement actions on the property, if any exist

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### **GENERAL PROGRAM POLICIES**

#### Ineligible Costs

In-kind, donated, “sweat equity” or similar no cost to the Applicant improvements, services, or materials will not be matched and are ineligible costs under the Program.

#### Design Requirements

Applicants are encouraged to promote historic preservation, energy efficiency, and accessibility standards in designing improvements, to the extent that they are financially feasible or required by law. All improvements must conform to applicable city building codes, zoning ordinances, local and state laws.

#### Reimbursement

Any reimbursement to an applicant will only be made once project work is completed and under certain conditions of the program components.

#### Projects That Commence Prior to MDD Board Approval

The MDD recognizes that the speed of business and investment does not always match the speed of government. Applicants are encouraged not to begin a construction project until the MDD Board approves their application if they expect to be fully reimbursed. The Board may, at its own discretion, approve a grant application after work has commenced.

#### Project Start-Completion Schedule

Projects must begin within 45 consecutive business days from the date of the MDD Board approval. Projects must be completed 180 business days from the date of Board approval. The MDD Board reserves the right to grant extensions on a case-by-case basis. However, applicants must make a formal written request for an extension.

#### Project Change Orders

The MDD must approve in writing any change orders for the proposed work. MDD staff is allowed to approve minor changes; the MDD Board shall approve changes of substance to the project.

#### Withdrawal

The MDD Board of Directors reserves the right to withdraw grant approval and funding under any circumstances.

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## Process of Appeal

There will be no procedure for the appeal of a decision made by the MDD Board of Directors.

## Funding Availability

Funding is limited and incentive awards will be subject to funding availability; Project Applicants will be prioritized on a first-come, first-serve basis. The MDD Board reserves the right to propose a Budget Amendment or Adjustment, per established financial policies, to alter program funding for a particular fiscal year.

## Repeat Applicants

Applicants are allowed to reapply for further property improvements 2 years after the reimbursement check has been issued to them.

First time applicants will receive priority over repeat applicants

## Maintenance Requirements

By accepting Incentive funds, the Applicant commits to properly maintain all improvements, clean and free of graffiti for a minimum of 2 years at the Applicant's own cost and expense. Any damage to the property is to be repaired immediately by the Applicant so that the property remains in good condition and positively contributes to the City of Holland and its ETJ. Applicant will be strongly encouraged to touch up painted areas and perform any other repairs needed on an ongoing basis.

## Promotional Rights

By accepting Program funds, Applicant authorizes the MDD to promote the project and property including, but not limited to, displaying a sign at the site during and after construction indicating participation in the Program, and using photographs and descriptions of the project and property in the MDD's printed promotional materials, press releases, social media, and websites.

## Application Evaluation

The MDD Staff and Board will evaluate applications based on how well the proposed project advances the program's policy goals.

### **PROGRAM COMPONENT DESCRIPTION**

The Building/Business Incentive Grant Program will reimburse grantees for expenses under certain conditions described below.

#### *Façade Improvements*

The program provides matching funds for 50% of total façade improvements up to \$10,000 that restore, rehabilitate, enhance, or beautify a structure.

Eligible improvements include:

- Signs (new, repairs, replacement, removal)
- Grate and grate box removal or conversion of solid grates to an open mesh style
- Awnings
- Lighting
- Paint
- Removal/replacement of inappropriate or incompatible exterior finishes or materials
- Recessing/reconfiguring entrances
- Removal of extraneous elements
- Door/window replacement or repair
- Exterior cleaning
- Historical architectural elements
- Labor, design, and material costs
- Permit fees
- Architectural design and engineering

Reimbursement will be granted once work is complete and the applicant can provide proof of payment to contractors.

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#### *Building Improvements*

The program provides matching funds for 15% of building improvements based on the following guidelines with a maximum award of \$15,000:

Eligible improvements include:

- Labor, design, and material costs
- Permit fees
- Architectural design and engineering
- Improvements to bring the building into code compliance, e.g., plumbing, electrical, structural.
- Other structural deficiencies which would prevent the building from being utilized for an active business.

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Reimbursement will be granted when the following three conditions are met:

1. Once work is complete,
2. The applicant can provide proof of payment to contractors, and
3. The City has issued a Certificate of Occupancy to the applicant.

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### *Property Redevelopment/Remediation*

This program component is meant to incentivize and reduce the risks involved with redeveloping a blighted structure or property. The goal is to use existing commercial properties as locations to construct new buildings once substandard or blighted properties are remediated.

Eligible activities include, but are not limited to

- Structure demolition
- Environmental remediation
- Legal fees necessary for curing deficient property titles

Reimbursement will be granted when the following three conditions are met:

1. Once work is complete, up to an including the construction of a new building,
2. The applicant can provide proof of payment to contractors, and
3. The City has issued a Certificate of Occupancy to the applicant.

Given the wide variety and costs associated with property redevelopment, the following guidelines are implemented. However, the MDD Board reserves the right to customize a grant application to meet a project's particular needs.

Demolition - Single family home or individual structure – the MDD will reimburse the applicant up to 50% of the cost for the demolition and removal of a single family home or individual structure up to \$5,000 upon the completion of a new structure on the property.

Demolition - Large building – the MDD will reimburse the applicant up to 50% of the cost for the demolition and removal of a large building up to \$15,000 upon the completion of a new structure on the property.

Environmental remediation – The MDD will reimburse the applicant up to 50% of the cost for any necessary environmental remediation up to \$25,000 upon the completion of a new structure on the property. Examples of environmental remediation include but are not limited to: tires; oil, gas and chemical tanks; asbestos; other hazardous materials and waste.



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Legal fees – The MDD will reimburse the applicant up to 50% of the cost up to \$5,000 for any necessary legal fees which may be required to cure a property title so that the property can be developed.

### **APPLICATION PROCESS**

1. An application, attached to this policy document, will need to be completed with all required information.
2. MDD staff will review the application and supporting materials for completeness. If required, staff will contact the applicant to resolve any deficiencies.
3. MDD staff will make a funding recommendation to the MDD Board based on the following criteria and preferences:
  - Appropriateness of Project
  - Creativity
  - Timeliness
  - Community Impact
  - Permanent, Tangible Improvements
  - Economic Impact
  - Preservation
  - Rehabilitation
  - Location and Visibility

Applicants may be invited to present their applications before the MDD Board.

4. The MDD Board will review and discuss the application at their regular Board meeting and will make the final decision on approving a grant application and funding amount.
5. MDD staff will notify the applicant in writing via email on their application status and provide a notice to proceed.

### **REIMBURSEMENT PROCESS AND POLICY**

Requests for reimbursement will only be processed after the rehabilitation/improvement work is completed and approved following a final field inspection by Holland MDD staff to verify compliance with the project scope.

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All expenses must be paid by check or Credit/Debit Card. No cash payments to contractors will be accepted.

Reimbursement claims must be accompanied by the following supporting documents: statements from architects, contractors and/or subcontractors acknowledging that all payments have been received; notarized final lien waivers from all contractors and/or subcontractors, if applicable; proof of final City inspections and Certificate of Occupancy (CO), if applicable; and a hard copy and/or digital “after” photograph of the facade improvements.

A photocopy of all Credit/Debit Card receipts and/or the front and back of all cancelled checks must be submitted for reimbursement along with an invoice marked “paid.” All invoices must clearly indicate the work that was performed, the amount of the invoice as well as the corresponding Credit/Debit Card receipt(s) and/or check number(s).

All payments are subject to the review and approval of the Holland MDD. Please allow up to 15 business days for receipt of the reimbursement check.

**APPLICATION FORM**

**HOLLAND MUNICIPAL DEVELOPMENT DISTRICT  
BUILDING/BUSINESS INCENTIVE GRANT PROGRAM**

**Holland MDD  
102 W. Travis St.  
Holland, TX 76534  
254-657-2460**

Date:

<b>1. Applicant Information</b>	
A. Applicant's Name	
Address	
Phone Number	
Email Address	
B. Business Name	
Address	
Phone Number	
Email Address	
C. Address of Project Site	
D. Applicant's Tax ID#	
E. Name of Property Owner	
F. Type of Entity Applying for Award	<input type="checkbox"/> Individual(s) <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Other
G. Type of Business (Retail, Service, etc.)	
H. Business Description	
I. Type of Program Component – check all that apply	<input type="checkbox"/> Façade Improvements <input type="checkbox"/> Building Improvements <input type="checkbox"/> Property Redevelopment/Remediation

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2. Project Information	
A. Description of Proposed Improvements (Attach additional pages if needed)	
B. Estimated Cost of Improvements	\$
Contractor's detailed cost estimate must be attached	
C. Name of Contractor or Person who will be doing manage construction work	
Address	
Phone Number	
Email Address	
D. Applicant's architect or sign designer/installer (* required)	
E. Estimated date of project commencement	
F. Please provide a detailed project timeline	

### 3. Required Application Documents:

- A. Contractor's detailed cost estimate or bid on contractor's letterhead. Include a breakdown of all anticipated expenses.
- B. Proof of property ownership or letter of consent from property owner if the applicant is a tenant.
- C. Photograph(s) of the existing building/property
- D. Rendering from architect, contractor, or designer depicting the exterior of the building after completion of proposed project. Or other appropriate method of explaining the proposed improvements.
- E. Paint samples, if applicable
- F. Business plan for businesses less than 6 months at location.
- G. Proof of no outstanding property taxes owed on the building
- H. Remedies for active City code enforcement cases, if applicable

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## Conditions and Acknowledgements Statement

This Façade Improvement Incentive Program is subject to change or cancellation at any time by a vote of the Holland MDD Board of Directors. In addition, any policy or procedure described herein may be waived by official action of this same committee. The MDD reserves the right to reject any/and or all applications.

*If I am successful in obtaining a Holland Façade Improvement Incentive from the MDD, I am obligated to maintain the funded improvements for a minimum of two years from the time I receive reimbursement. If the improvements are removed or changed prior to the 2 year timeline without prior approval, I agree to reimburse the Holland MDD for the entire amount of the Incentive.*

*I have read, understand, and will comply with the criteria described in this application, as well as the timeline, and I certify that the above information is true and correct to the best of my knowledge. I certify that I am current with all local, state, and federal taxes and business fees.*

*I hereby acknowledge that, to the best of my knowledge, that there are no active code enforcement violations or cases regarding the property.*

*I also hereby acknowledge my application for an incentive, and do authorize the MDD to obtain verifications from any source named in this application.*

Applicant's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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### Approvals (MDD Use Only)

Application Received by MDD: Date \_\_\_\_\_

Receipt of following supplementary materials

☐ Drawing, Rendering, Sketch

☐ Cost Estimates

☐ Letter of consent from property owner

☐ Photos and paint samples

☐ Other additional information provided by the applicant

Approved by MDD Board: Date \_\_\_\_\_

Notice to Proceed Notification: Date \_\_\_\_\_

Project Completion Date: \_\_\_\_\_