

**DRAFT**  
**ANN ARBOR DDA PARTNERSHIP GRANT**  
Updated 5.28.14

**Ann Arbor DDA Partnership Grant Overview**

The Ann Arbor DDA Partnership Grant Guidelines are distinct from any other Ann Arbor DDA Grant Policy or Guidelines.

The purpose of the DDA Partnerships Grant program is to work in partnership with a private developer to install downtown infrastructure improvements that go above and beyond what is required by site plan and that might otherwise be installed by the DDA. These improvements have been called out by the DDA in its Five Year Project Plan, included in the City's Capital Improvements Plan (CIP), and/or identified as high need through the City's asset modeling and management process.

The DDA will only invest in the type of infrastructure that would benefit the larger public good, not just the proposed project. Developers are responsible for providing certain public right of way site improvements as part of the City of Ann Arbor site plan approval process. The DDA Partnerships Grant program seeks to support the installation of infrastructure improvements utilized by the public beyond the development site, and to supporting enhanced improvements beyond what might be required.

**Eligible Improvements**

To be eligible, the public improvements should include elements that extend beyond the public ROW directly adjacent to the site; this may include streetscape enhancements (and on-going maintenance), street and crosswalk resurfacing, crosswalk and bike lane pavement marking upgrades, innovative public stormwater treatments, and upsizing water, storm or sewer mains. Inclusion of any of the above elements may then allow site adjacent public improvements to be eligible as well.

**The Work of the Ann Arbor DDA**

The Ann Arbor DDA mission is to spark private reinvestment within its DDA District and strengthen the downtown. The DDA always refers to its mission and it is the goal of the DDA to promote the economic growth and development of properties within its DDA District by private investment.

An important way for the DDA to accomplish its mission is to provide DDA grant funds in partnership with developers bringing forward exceptional projects. The DDA Development Plan sets forward important DDA values, such as walkability, sustainability, building design, mix of downtown uses, mix of downtown users, and downtown Ann Arbor's unique identity. The DDA has full discretion to determine if a project meets these values, and to determine whether a grant should be awarded to any project. The DDA also has full discretion to determine if it chooses to prioritize its grant funding to help stimulate new private development within a particular subarea of its DDA District.

### Favorable Project Elements

The DDA is particularly interested in supporting **the public improvements for** projects that have the clear potential to encourage or trigger other private tax-generating new development in the immediate vicinity. This can be defined as nearby properties that are within the DDA District, privately owned, and have not had significant public or private investment in the past ten years. If the DDA determines that it wishes to make a grant in support of a project with the goal to encourage development on nearby properties it is with the understanding that these adjacent properties may likely need less (or no) DDA financial involvement to be successful.

The DDA will not forgo its TIF capture from a project; the DDA may elect to provide a grant to a project utilizing its funds, or it may elect to provide all or some of its support using such in-kind elements as access to parking for contractors or construction staging.

**In alignment with the Development Plan values above,** the DDA will consider the following elements when evaluating a Partnerships Grant request. A project **should address significant elements of this list** to be considered:

1. Addresses a documented gap in the marketplace or underserved markets of commerce within this sector of downtown
2. Demonstrated that the project will act as a catalyst for additional revitalization of the area in which it is located which will trigger the creation of additional new tax revenue
3. Is “connected” to the adjacent sidewalk with uses on the first floor that are showcased using large transparent windows and doorways to give pedestrians a point of interest to look at as they walk by the project
4. Creates a large office floor plate .
5. Will facilitate the creation of a large number of new permanent jobs
6. Is a mixed use development, that will encourage activity in the daytime, evening, and weekend, such as a development with a mix of commercial and residential
7. Adds to downtown’s residential density
8. Reuses vacant buildings, reuses historical buildings, and/or redevelops blighted property
9. Number of affordable housing units created on site or funded by the project elsewhere in the community, which are beyond what is required by the City
10. Environmental design is at or above a Gold LEED certification, or an equivalent environmental assessment
11. Architecturally significant building or project design
12. Strengthens Ann Arbor’s national visibility

### **Partnerships Grants Details**

The amount of a DDA Partnerships Grant shall be calculated using the amount of the project's projected TIF that the DDA will capture. If the DDA determines that it wishes to provide a grant, the amount of the grant would be an amount calculated to be between 1% and 25% of the ten year TIF captured by the DDA from this project, with these funds to be directed to the cost of the public improvements agreed to by the DDA.

If awarded, the DDA grant will be paid out over time, and the amount released will at no point be greater than the amount of new TIF paid by the developer of the new project. The DDA reserves the right to adjust the amount of each portion of its grant to best benefit the DDA's budget and other considerations.

In the event of a sale or transfer of the development, the DDA's grant may be assigned to the new owner of the property upon prior written consent of the DDA, provided, however, that the project has not been substantially modified since the time of the DDA's grant approval.

The DDA's Partnerships Grant will automatically expire by June 30<sup>th</sup> at the end of the fiscal year following the fiscal year the grant was approved by the DDA if a developer has not requested and received all necessary City construction permits, and the project footings/foundations are not completely installed. These grants will automatically expire by June 30<sup>th</sup> at the end of the third fiscal year following the fiscal year the grant was approved by the DDA if construction has not been completed and a Certificate of Occupancy issued for the project. **These dates will be included in the DDA Resolution; it is the responsibility of the grant recipient to report milestones to the DDA.**

### **Ann Arbor DDA Partnerships Policy Changes and Reservation of DDA Rights**

The DDA reserves the right to modify these Partnerships Grant guidelines at any time and without notice. The DDA reserves the right to eliminate its Partnerships Grant program at any time and without notice. DDA Partnerships projects are completely voluntary on the part of the DDA and Developer. Grant approval is tied to a particular site plan; any subsequent changes to this site plan may cause the DDA to withdraw its grant. A DDA review is necessary to determine if subsequent changes are deemed substantive.

### **DDA Partnerships Process**

**The Partnerships Grant application shall begin simultaneously with the City's plan review process and applicants should not expect a response until review completion. This will allow staff to provide the DDA Board with an overview of the required public improvements and an analysis of the infrastructure needs of the area.**

A Developer shall meet with a DDA subcommittee prior to submitting a Partnerships Grant request to the DDA, to enable DDA members to become familiar with the proposed project. An application to the DDA must include a presentation about the project to the full DDA board at a regularly-scheduled board meeting.