The Revitalization and Placemaking (RAP) program is an incentive program that will deploy $100 million in American Rescue Plan funding to address the COVID-19 impacts in Michigan communities by providing access to real estate and place-based infrastructure development gap financing in the form of 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 develop a coordinated subgrant program.

Additional information and program guidelines can be found at www.michiganbusiness.org/rap.

**EDITOR'S NOTE:**

January 18, 2022, updates:
- Four new questions and answers have been added to page 12.
- The answer to question 38 has been updated to reflect new federal guidance made available on January 14, 2022. Changes in paragraph 3 have been bolded for easy reference.

January 24, 2022, updates: Four new questions and answers have been added to page 13.

January 31, 2022, updates: Two new questions and answers have been added to page 14.

February 7, 2022, updates:
- The recently released Final Rule and Final Rule Overview provide guidance that expands the set of households and communities that are presumed to be “impacted” and “disproportionately impacted” by the pandemic. Language has been adjusted throughout this document to reflect the new guidance. Changes are shown in bold for easy reference.
- An additional question and answer has been added to page 15.

February 14, 2022, updates: Five new questions and answers have been added to page 16.

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1. **How will MEDC be evaluating applications?**

Applications will be evaluated and scored on a variety of factors, including but not limited to:
- Ability of project to be completed within the American Rescue Plan Act time limits, which require the funds to be obligated by December 31, 2024, and expended by December 31, 2026.
- Local Support and Match: All submissions must include a letter of support from the local or regional economic development organization and/or municipality. The most competitive proposals will also include a financial contribution from the local unit of government.
- Location: Preference will be given to projects located in federal qualified census tracts (QCT) and to projects located in traditional downtowns or commercial corridors.
- COVID Impact: Applicants must address how the proposal is responsive to the negative public health and/or economic impacts of the COVID-19 pandemic and complies with all ARPA requirements and guidance as described in the Final Rule and Final Rule Overview.
- Capacity: The applicant, consultant or individual member of the development team must have experience implementing a project of a similar scope.
- 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.
- Projects that include housing must include units that are priced to be attainable to the local workforce, including households with less than 120 percent of the area median income.
- Financial Viability: Demonstrate long-term financial viability of the project and financial need for the incentive.
- Local and Regional Impact Considerations: 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. Project should also demonstrate the readiness of infrastructure.

2. **Do Davis-Bacon Act wage requirements apply to RAP projects?**

Federal Reporting and Compliance Guidance indicates that Davis-Bacon Act requirements do not apply to projects funded solely with ARPA funds such as those
available through this program, as long as the ARPA funds do not exceed $10 million. Award recipients will need to provide documentation of wages and labor standards for infrastructure projects over $10 million. These requirements can be met with certifications that the project follows the Davis-Bacon Act and subject to a project labor agreement.

3. What is the significance of the federal qualified census tracts?
The interim final rule indicates eligibility for the RAP under the paragraph “Building Stronger Communities through Investments and Neighborhoods” (Interim Final Rule, page 10). Projects are presumed to be eligible if they are targeted towards economically disadvantaged communities if funds are spent on a program or service provided at physical location in a qualified census tract (QCT), or on a program or service where the primary intended beneficiaries live within a QCT.

4. Do RAP projects need to be located in Redevelopment Ready Communities?
RAP projects that include new construction must be located on priority sites identified by certified Michigan Redevelopment Ready Communities® (RRCs). The application evaluation will not prioritize any other revitalization or public space projects in RRC communities above other equally competitive applications.

5. Can projects that were previously approved for Community Development incentives, but have been unable to move forward or have not yet received funding, apply for the RAP program?
These projects are welcome to apply if they otherwise qualify for RAP.

6. Can RAP be layered with other Community Development incentives administered by the MEDC?
Yes, if those other incentives are appropriately described in the application and the project is otherwise competitive for the RAP program.

7. How will funding be disbursed?
Disbursement will be based on agreement milestones and in most cases, funding will be disbursed to the applicant after completion of construction of any one individual project.

8. What would a subgrant program look like?
A subgrant program would be a coordinated program to address the impacts of COVID on different sites and potentially with different development partners. It could include multiple individual projects that together achieve one coordinated goal. Applicants for subgrant programs will be responsible for ensuring that program requirements, including reporting, are met for all projects in the subgrant program.

9. Can new construction qualify?
Only new construction on a priority site in a certified Redevelopment Ready Community® will qualify for this program. Otherwise, the program is intended to address underutilized buildings and public space.

10. Do building rehabilitation projects need to include housing?
Building rehabilitation projects do not need to include housing, however addressing a local housing need will be a consideration in evaluating the competitiveness of a project, and any project that does include housing must include units that are priced to be attainable to the local workforce including households with less than 120 percent of the area median income.

11. Who can apply?
Eligible applicants are individuals or entities working to rehabilitate vacant, underutilized, blighted and historic structures and the development of permanent place-based infrastructure associated with traditional downtowns, social-zones, outdoor dining and placed-based public spaces. These applicants may include but are not limited to: non-profits and local economic development organizations; developers; brownfield redevelopment authorities; downtown development authorities; local units of government; local Land Bank Fast Track authorities; or other entities approved by the MSF.

12. Is a local match required?
The minimum required match for RAP awards is 50 percent of the project’s eligible costs as detailed in

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1 Amenity that is not intended to be temporary, including but not limited to a site improvement or building, and that positively contributes to a traditional downtown or a mixed-use area with abundant accommodations for non-motorized transportation.
2 Local authority created under Act 258 of 2003.
13. Can this program be utilized for strictly housing projects?
Projects do not need to be mixed use to qualify and may include only housing.

14. What targets do you have for number of units and AMI levels for affordable housing components besides not more than 120 percent AMI?
Projects that address a local housing need including mixed income projects will be a consideration in evaluating the competitiveness of a project, and any project that does include housing must include some number of units that are priced to be attainable to the local workforce including households with incomes less than 120 percent of the area median income. No target is set, but the applicant should demonstrate how the proposed investment in housing is meeting local needs.

15. When you use the term redevelopment, can that mean new mixed-use affordable housing projects on now vacant parcels?
The program is primarily intended for renovation of existing buildings. RAP projects that include new construction must be located on priority sites identified by certified Michigan Redevelopment Ready Communities® (RRCs).

16. If projects don’t have a housing component, will they be downgraded or lose points?
No. There is no requirement to include housing.

17. What targets are there for the number of affordable units in a housing development?
No targets are identified for the number of affordable units in a housing development. However, addressing a local housing need will be a consideration in evaluating the competitiveness of a project, and any project that does include housing must include units that are priced to be attainable to the local workforce including households with less than 120 percent of the area median income.

18. How can RAP be layered with the Michigan Community Revitalization Program (MCRP)?
If your project qualifies for both RAP and MCRP and has a gap that cannot be accommodated by just one tool, you may apply for both incentives as long as the RAP application appropriately describes the MCRP request as part of the capital stack.

In considering a request for both tools, please keep in mind that RAP requires broad geographic distribution which could factor into projects eligible for awards under other MEDC/MSF programs.

19. Can this funding be combined with Community Development Block Grant (CDBG) and other federal grant funding?
Yes, and the status of that CDBG incentive request, along with any other federal funding requests, should be described in your RAP application.

20. Does a local tax incentive (Brownfield, Obsolete Property Rehabilitation Act, etc.) count as local financial contribution? What qualifies as a “financial contribution” by the municipality? Do tax abatements count? Do other “in kind” types of support include parking, infrastructure, etc., or is it limited to direct monetary support?
Local support could be achieved through another local source such as an abatement, brownfield contribution or other approved local contribution. Status of that brownfield, OPRA request should be described in your RAP application. Local match can come from other partner organizations, non-profits, private donations, etc. If the project has 50 percent of the hard costs covered through developer or local contribution, then additional financial support from the community could include in-kind support as long as the support is quantified in terms of its value to the project.
21. Is there any guidance on how an applicant should approach choosing between the singular grants versus the not-to-exceed $20 million regional subgrant?

The subgrant option should only be used if there is a larger coordinated strategy that will be achieved if multiple projects are funded and if the applicant has the capacity to manage a subgrant program.

22. What are the actual definitions of terms according to the MEDC and federal guidelines for the criteria of program qualifications?

All RAP program information can be found at [michiganbusiness.org/rap](http://michiganbusiness.org/rap) and U.S. Department of Treasury guidance can be found [here](http://example.com).

We recommend the following four sources of guidance:
- Final Rule
- Final Rule Overview
- CSLFRF Frequently Asked Questions
- Compliance and Reporting Guidance: CSLFRF

23. Is it the goal of this program to fund many projects at smaller award amounts, or fewer projects at larger award amounts?

The program goals do not address specific project size. The program goals are as follows:
- Partner with local Michigan communities to proactively address the negative economic impacts 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.
- Deploy federal American Rescue Plan funding to support investments that will create the environment necessary to attract and retain talent, add new housing options, enable business creation and attraction and provide resources for Michigan citizens and communities.
- Help local governments avoid budget crises, retain current residents and enhance downtown vitality.

24. Is this only for Redevelopment Ready Communities?

RAP projects that include new construction must be located on priority sites identified by certified Michigan Redevelopment Ready Communities® (RRCs). The application evaluation will not prioritize any other revitalization or public space projects in RRC communities above other equally competitive applications.

25. Is there a link to review the ARPA regulations and reporting requirements?

Specific reporting requirements for this program are still being developed; however, click [here](http://example.com) to review the U.S. Department of Treasury Compliance and Reporting Guidance for State and Local Recovery Funds.

26. What is your process for ensuring that projects under a regional grant are aligned with the vision the existing community sees for itself? What are you doing to ensure that local government and local non-profits are not making decisions that affect a neighborhood without taking into account the input of the existing residents? Is there a process for vetting community engagement?

We are requiring that there is a letter of support from the municipality. The applicants will also be asked to demonstrate how their project(s) support the vision and goals stated in the local master plan, downtown plan, capital improvements plan and/or economic development strategy. Projects should also demonstrate the readiness of infrastructure.

Communities have a range of options for vetting community engagement, including public participation plans.

27. Will applications from small communities be unduly encumbered by the lack of extensive administration, especially the public projects?

Costs associated with project delivery or project management may be considered eligible project costs.

28. Can you talk more about the subgrant process?

In particular, would total funding be subject to the limits of $5 million for real estate rehabilitation and $1 million for public spaces? The floor of $500,000 would not be in place for projects funded through a subgrant program, but the ceiling of $5 million for real estate rehabilitation and $1 million for public spaces would apply.

29. Will projects require a certified grant administrator?

No.
30. For regional proposals that have multiple projects, will they be reviewed as all or nothing? Or can individual projects within a larger proposal be allowed to be removed if necessary to be more competitive?
If there are projects that do not qualify, then those specific projects would be removed from the application and will not be funded. Otherwise, the qualifying projects will be scored based on their collective merits.

31. Are small real estate investment businesses eligible?
Small developers are eligible to apply for support through RAP.

32. How much total funding is available?
There is a total of $100 million allocated to support projects through RAP.

33. Can a proposed public space project include some office space for the organization's staff?
Public space projects should be primarily public space, however some minor amount of space for administration of the programing of public space could be included in the application.

34. Will the MEDC review drafts and offer feedback on the draft to the applicant?
A draft application template will be available for review on the program web page michiganbusiness.org/rap during the question-and-answer period, which is anticipated to begin in early 2022. MEDC will not review draft applications in advance of the application deadline.

35. Are you going to allocate the funds based on regions?
To help ensure broad geographic distribution across all Michigan regions and in both rural and urban communities, lower scoring proposals may be elevated in some instances in order to ensure broad geographic distribution across all Michigan regions.

36. Is Davis-Bacon applicable?
Federal Reporting and Compliance Guidance indicates that Davis-Bacon Act requirements do not apply to projects funded solely with ARPA funds such as those available through this program, as long as the ARPA funds do not exceed $10 million. Award recipients will need to provide documentation of wages and labor standards for infrastructure projects over $10 million. These requirements can be met with certifications that the project follows the Davis-Bacon Act and subject to a project labor agreement.

37. For subgranting programs will grant administration be an eligible expense included in the overall ask?
Costs associated with project delivery or project management may be eligible.

38. Where can we find guidance on what qualifies as “COVID impact”?
We recommend the following four sources of guidance:
- Final Rule
- Final Rule Overview
- CSLFRF Frequently Asked Questions
- Compliance and Reporting Guidance: CSLFRF

Eligibility for the RAP projects fall under three eligibility categories:
- Projects are presumed to be eligible if funds are spent on a program or service provided at physical location in a qualified census tract (QCT) or spent on a program or service where the primary intended beneficiaries live within a QCT.
- If projects are not within a QCT, projects can also be designed to target economically disadvantaged communities by demonstrating how the project will benefit households and communities that are disproportionately impacted by the pandemic in accordance with the Final Rule and Final Rule Overview.
- Another eligibility option is disproportionate economic impacts, where other eligible projects include industries that faced disproportionate economic impacts such as the travel, tourism, and hospitality industries. To be eligible under this category, the project should assess the size of the economic harm to the impacted industries, “such as the loss of earnings or revenue, that resulted from the COVID-19 public health emergency and whether, and the extent to which, the use would respond or address this harm.” The eligible use must also respond to the negative economic impact and must also be related and reasonably proportional to the extent and type of public health impact or economic
39. Are community foundations eligible for support?
   They would be eligible as non-profit applicant.

40. If an applicant is not located in a QCT, but half of its community is located in an Opportunity Zone, would it qualify for workforce/attainable housing on an identified development site within the Opportunity Zone?
   Eligibility would be based on the following:
   • If projects are not within a QCT, projects can also be designed to target economically disadvantaged communities by demonstrating how the project will benefit households and communities that are disproportionately impacted by the pandemic in accordance with the Final Rule and Final Rule Overview.
   • Another eligibility option is disproportionate economic impacts, where other eligible projects include industries that faced disproportionate economic impacts such as the travel, tourism, and hospitality industries. To be eligible under this category, the project should assess the size of the economic harm to the impacted industries, “such as the loss of earnings or revenue, that resulted from the COVID-19 public health emergency and whether, and the extent to which, the use would respond or address this harm.” The eligible use must also respond to the negative economic impact.

41. For the $5 million program, is it required that projects be located in traditional downtowns and/or business districts or is this just preferred?
   How does MEDC define a business district?
   It is preferred that the project be located in a traditional downtown or high impact commercial corridor. A “traditional downtown” or “traditional commercial center” is defined as a grouping of 20 or more contiguous commercial parcels containing buildings of historical or architectural significance. The area must have been zoned, planned, built or used for commercial purposes for more than 50 years. The area must consist of, primarily, zero-lot-line development and have pedestrian friendly infrastructure.

42. How will green or sustainable developments be supported?
   Projects that are addressing green and sustainable strategies that are identified in a local plan should note that in their application, especially aspects of that investment that contribute to long term resilience.

43. Can you talk more about the requirement for a team member to have previous project experience?
   The applicant, consultant or individual member of the development team must have experience implementing a project of a similar scope.

44. What type of match would help a low- to mod-community be more competitive during the scoring process?
   The minimum required project match for RAP awards is 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. Projects that leverage additional match, including but not limited to support from a local unit of government, foundation or development authority, will receive favorable scoring in the application evaluation.

45. Can you recommend an online source for information for anyone new to the process?
   Visit michiganbusiness.org/rap to learn more about the application process, frequently asked questions and anticipated timelines associated with this program.

46. Within the $100 million, is there a pre-determined allocation to each eligible purpose (i.e., individual projects, placemaking, regional grants), or will it depend on what applications come in?
   The $100 million does not have a pre-determined allocation. Each type of project (individual, public space, and regional) will be scored against others in that category and then the top scoring applications will be weighed against each other to determine which are addressing program goals most effectively.
47. Is there a matrix or cheat sheet that can identify the differences between the RAP program and Public Gathering Spaces Initiative (PGSI) program and the different requirements?
To learn more about the differences between each program, you can go to michiganbusiness.org/rap for the RAP program and michiganbusiness.org/pgsi for the PGSI program. You may also contact your region's Community Assistance Team specialist, as a helpful resource around the types of projects eligible and other guideline details until the grant round is competitively announced.

48. Can any of the funding go towards staff time and/or consultants?
All specific costs associated with project delivery or project management may be eligible.

49. Does ARPA require the entire project to be completed by December 2026 or just the portion funded by the grant and any required match?
Do you expect to include grant conditions that require the commencement of work by a date calculated to allow for the required work to be completed by the ARPA deadline?
Grant money must be expended by December 31, 2026, meaning the project would be completed and a reimbursement of the grant award would be allocated to the awardee. Milestones with dates for a project’s commencement are anticipated.

50. We have an abandoned piece of property within our CBD. Would the purchase of the property and creating a needed parking lot qualify?
You may contact your region’s Community Assistance Team specialist, as a helpful resource around the types of projects eligible and other guideline details until the grant round is competitively announced.

51. How many sets of $20 million subgrants are expected to be awarded?
There is no set expectation for the number of subgrant programs awards to be supported with RAP. A subgrant program would be a coordinated program to address the impacts of COVID on different sites and potentially with different development partners. It could include multiple individual projects that together achieve one coordinated goal. Applicants for subgrant programs will be responsible for ensuring that program requirements, including reporting, are met for all projects in the subgrant program.

52. Do matching dollars have to be secured or pending acceptance at time of application?
Having matching funds secured will be viewed favorably, however there will be some flexibility in the application around financing. If the project is selected to move forward, there will be a deadline for securing any unsecured matching funds.

53. When will the guidelines and applications be available to us?
• Guidelines can be found here.
• The application will be available for preview as soon as possible and no later than February 2022.

54. Can one project receive a combination of a portion of the $5 million for real estate rehabilitation and $1 million for public space improvements?
This scenario is possible; the application itself will address this question further.

55. Can capital improvements to public libraries, such as ventilation improvements to increase airflow be funded?
Scoring criteria will be available as soon as possible and will help you determine if this is a competitive application. Until the grant round is competitively open, your region’s Community Assistance Team specialist can be a helpful resource.

56. For projects involving housing rental, how many years is someone required to rent at a subsidized rate?
There is no set requirement on number of years of housing affordability, but an application for a project that includes housing should demonstrate how it will address housing needs and if there will be local monitoring. Any project that does include housing must include units that are priced to be attainable to the local workforce including households with less than 120 percent of the area median income.
57. Knowing there is an overall timeline required for projects to spend this funding, is there a specific date MEDC would like to see this money spent before it pulls funding to allocate to another project that can do so more quickly?
There is not a specific date identified at this time, however individual projects will have certain set milestones in place that must be met.

58. Is this a program that could be applied to a streetscape project?
Grant awards associated with the development of permanent place-based infrastructure associated with social-zones, outdoor dining, etc., for a single project in a traditional downtown shall not exceed the lesser of $1 million or 50 percent of eligible costs.
Place-based infrastructure is considered as an amenity that is not intended to be temporary, including but not limited to a site improvement or building, and that positively contributes to a traditional downtown or a mixed-use area with abundant accommodations for non-motorized transportation.

59. Would a project that has already begun initial work, such as targeted demolition and/or environmental remediation, as of the time of application be affected by the fact that some initial work has begun?
No.

60. If the MEDC likes a project but wishes to contribute some but not all of the requested funds, is that possible?
Yes.

61. For a park project, what proximity would qualify as in a traditional downtown or commercial corridor?
Place-based infrastructure projects are required to be located such that they contribute to a traditional downtown or a mixed-use area with non-motorized infrastructure.

62. When you use the term redevelopment, does that mean there needs to be a structure on the site, or can it be a mixed-use, affordable housing project on now vacant parcels?
Infill development will only be considered on priority sites identified by certified Michigan Redevelopment Ready Communities® (RRCs).

63. Will there be a NEPA review required, including SHPO review?
A NEPA review may be required if RAP program funds are layered with other federal financial assistance programs for a particular project but if the project is funded by RAP only, they would not automatically be subject to NEPA review. Projects including historic resources or those with other specific environmental considerations would require a state-level environmental review at a minimum. The State Historic Preservation Office will be engaged in the review process for grant application evaluations.

64. Do these funds cover construction documents?
Construction documents could be considered as an eligible expenditure.

65. Is land acquisition for a public space project considered an eligible expense?
Land acquisition could be considered an eligible expense. Property control should be demonstrable at the time of application.

66. Are there special considerations for historic preservation?
The scoring rubric will be made available as soon as possible and will address this question.

67. Is there a standard RAP definition of what constitutes "public space place-based infrastructure" as noted in the grant guidelines?
Permanent place-based infrastructure is defined in the program guidelines as “An amenity that is not intended to be temporary, including but not limited to a site improvement or building, and that positively contributes to a traditional downtown or a mixed-use area with abundant accommodations for non-motorized transportation.” The public space place-based infrastructure would include site improvements or buildings such as streets, plazas, gazebos, public facilities, etc., that are open and accessible to the public.

68. Can communities apply individually and as well with local partners?
Projects will be selected to ensure geographic distribution of funding around the state. Communities should consider which proposal option is most competitive.
69. Can a DDA/city function as program administrator to give subgrants to local businesses? Could public parking be included in the project in an attempt to complete a holistic strategy, for instance could the subgrants cover filling vacancies, build residential, complete facade’s and add parking?

A city or DDA could be an eligible entity requesting regranting funds for eligible, “shovel ready” projects within their jurisdiction. Please talk through the particulars of a holistic approach with your Community Assistance Team specialist.

70. If the project has multiple phases (5) and the organization has completed two phases, but funding from RAP would support phases 3–5… would that qualify, and can the funding for phases 1 and 2 be used as the match?

Yes. A phased project that has some phases complete could qualify. Timing of the spending on the first phases would need to be known in order to determine if that investment could count toward the match. Prior to the application window opening, please have a conversation about the particulars of a phased project with your region’s Community Assistance Team specialist.

71. As a point of clarification around a grant providing up to 50 percent funding: if applying for a $500,000 grant than total project costs would have to be a minimum of $1 million?

It is 50 percent of eligible expenses as detailed in the guidelines.

72. Are there any specific public hearing requirements?

There are no specific public hearing requirements associated with this program.

73. What level of documentation of the balance of project funding will need to be part of the application? Will this be similar to CRP?

The application will include some inputs similar to the CRP application. There will be flexibility around timing of financing, and likely a timeline allocated to secure the capital stack.

74. How does a project address COVID impact?

Applicants must address how the proposal is responsive to the impacts of the COVID-19 pandemic, including, but not limited to, if a project is not located within a qualified census tract, demonstration of how the project will target economically disadvantaged communities and communities that are disproportionately impacted by the pandemic in accordance with the Final Rule and Final Rule Overview, or demonstrate how the project will support industries that faced disproportionate economic impacts by assessing the size of the economic harm to the impacted industries, such as the loss of earnings or revenue, that resulted from the COVID-19 public health emergency and whether, and the extent to which, the proposed investment would respond to or address this harm.

75. Did one of the speakers note that funds will only be distributed *after* construction is complete?

Disbursement will be based on agreement milestones and in most cases, funding will be disbursed to the applicant after completion of construction of any one individual project.

76. How will regional funding requests ($20 million) be prioritized when it comes to scoring? Is more consideration given to size of community, experience with incentives, etc.? Is there a rubric provided for scoring purposes? If so, what is the percentage weight for experience for projects of great magnitude?

The scoring rubric will be made available as soon as possible.

77. Do we work with our MEDC CATeam leader for this program like CRP?

Yes. Until the application period begins, please direct project specific questions to your region’s Community Assistance Team specialist.
Responses to written questions submitted to MEDC as of December 21, 2021:

78. What materials will need to be collected to demonstrate project viability?
The application will include financial inputs similar to the CRP application. There will be flexibility around financing, and likely a timeline allocated to secure the capital stack.

79. RAP, what should be secured first? How does that impact a project’s scoring under the viability consideration?
It is up to the applicant to determine the best route. Both can be sought at the same time. If a project is unsuccessful with RAP, that would impact the readiness of the CRP request.
If it is a project that qualifies well for both programs, then needing both would not positively or negatively affect the scoring.

80. How is MEDC managing any potential CRP and RAP project overlap?
Overlap is allowable.
* CRP requests will still be processed. If a project is a good fit for RAP, the projects should apply for RAP. If a project demonstrates need, both RAP and CRP could be sought on parallel tracts to avoid losing time, if not selected for one of the programs.
* In considering a request for both tools, please keep in mind that RAP requires broad geographic distribution which could factor into projects eligible for awards under other MEDC/MSF programs.

81. Assuming there are enough requests to exceed the total $100 million in the first round, will MEDC award funds until the funding is depleted or is there a minimum score that a project request must receive?
There will likely be a minimum score established in the application. We hope to select all of the highest scoring, geographically diverse, qualified projects until funding is depleted.

82. Is there additional weight to a project located in a QCT or will it be equal to the other location preferences (e.g., beneficiaries located in QCT or disproportionate impact from COVID)?
There will be higher scoring given to projects in QCTs but per the program guidelines lower scoring proposals may be elevated in some instances in order to ensure broad geographic distribution across all Michigan regions.

83. Still not sure if we can do infill development on a non-RST site. If property is vacant or functionally obsolete due to COVID and proposed project is to demo existing structure and rebuild versus rehab, doesn’t that get to the same desired outcome of activated underutilized space due to COVID?
This comes from the program guidelines that outline the different types of projects, where the third bullet is the only option for redevelopment of a vacant site.
* Grant awards associated with the rehabilitation of vacant and blighted buildings or costs associated with the repurposing of space left vacant as a result of COVID-19 on a single project shall not exceed the lesser of $5 million or 50 percent of eligible costs.
* Grant awards associated with the redevelopment or revitalization of historic properties in coordination with the Michigan Certified Local Government program or other historic redevelopment programs on a single project shall not exceed the lesser of $5 million or 50 percent of eligible costs.
* Grant awards associated with the redevelopment of priority sites identified by certified Michigan Redevelopment Ready Communities® (RRC) on a single place-based infrastructure project shall not exceed the lesser of $5 million or 50 percent of eligible costs.
* Grant awards associated with the development of permanent place-based infrastructure associated with social-zones, outdoor dining, etc., for a single project in a traditional downtown shall not exceed the lesser of $1 million or 50 percent of eligible costs.
84. **What if demo is part of the project?**
If you are rehabilitating a vacant or blighted building and partial demolition or a new addition is part of the project that may be acceptable. The program is not designed for full demolition and new construction except for the RRC priority sites.

85. **Will the third-party fees be limited to a certain amount/percent?**
We will look for third party fees to be reasonable and will be evaluated like CRP.

86. **Will MEDC consider and/or fund any projects not in a qualified census tract?**
A proposal could otherwise demonstrate that the project’s beneficiaries may be from QCT or that there has been disproportionate impact from COVID. Projects outside of qualified census tracts will be considered, however in order to confirm that the project will meet the federal qualifications, those applications will need to demonstrate how the project will: a) target economically disadvantaged communities by demonstrating how the project will benefit households and communities that are disproportionately impacted by the pandemic in accordance with the Final Rule and Final Rule Overview; or b) demonstrate how the project will support industries that faced disproportionate economic impacts by assessing the size of the economic harm to the impacted industries, such as the loss of earnings or revenue, that resulted from the COVID-19 public health emergency and whether, and the extent to which, the proposed investment would respond to or address this harm. This is all determined based on federal requirements.

87. **It appears that RAP can be used to support projects that have received incentives in the past, however what if those projects have begun construction and have had cost increases or lost a hospitality tenant (due to COVID) that have created new gaps? Do those projects still need “but for” with a project that has not begun?**
Yes, we want to see the underwriting with new conditions, but will still evaluate.

88. **Project considerations mentions housing that includes attainable units. Do all housing units need to be attainable, or just mixed-income? Do we care about monitoring or NOAH units?**
Some number of the units must be attainable. There is flexibility for mixed income. Projects with housing units will score higher if they include local monitoring, but that is not required.
89. Are multiple or scattered-site projects eligible?  
For example, my project has two sites on the same block.  
It is possible to apply for a RAP award for one project that spans two non-adjacent sites. You may reach out to your region’s Community Assistance Team specialist to discuss further.

90. What is the process of an RRC to certify a priority site for new construction grant funding eligibility under this program?  
The RR Site selection process is carried out through on-site consultations between each certified RRC and the Redevelopment Services Team (RSTeam), where 3–4 specific priority sites are chosen to for concentrated redevelopment efforts.

91. In order to qualify a project in a non-QCT, there are a number of conditions. One condition includes, “Demonstrate how the project will support industries that faced disproportionate economic impacts by assessing the size of the economic harm to the impacted industries, such as the loss of earnings or revenue, that resulted from the COVID-19 public health emergency and whether, and the extent to which, the proposed investment would respond to or address this harm.” My question is, how would this be documented? Would we need letters, affidavits or tax returns from individual businesses? Documentation from Chambers of Commerce, cities/villages, DDAs etc.? Would studies, (if any exist) from a university, etc., suffice?  
The data sets relied upon can vary and will be nuanced to the impacts experienced by your community. For example, if your community was impacted by reduced travel, you might compile data that is available on hotel stays. Chamber of Commerce data on number of businesses closed would qualify as would tax returns from individual businesses, but you would not necessarily need both. If there is data on resulting tax revenue impacts, or employment loss resulting from COVID closures those would also qualify. University studies may be relevant if they focus on the specific community/business (versus the industry as a whole or communities in general). The data sets and estimating methods used to show the impact will also need to be used to do performance reporting on any awarded projects.

92. Does National Environmental Policy Act (NEPA) review apply to RAP projects?  
A NEPA review may be required if RAP program funds are layered with other federal financial assistance programs for a particular project but if the project is funded by RAP only, they would not automatically be subject to NEPA review. Projects including historic resources or those with other specific environmental considerations would require a state-level environmental review at a minimum.
93. Has the first application period opened? If not, is there an expected date? When it does, is there a 120-days to apply or 90?...It looked like a 30-day Q&A period and a 90-day application period, but not sure if those run concurrent? Will there be an announcement when the application is released?

a. We are anticipating that the application round announcement will occur in February. That will be followed by a 30-day question and answer period. The question and answer period will be followed by a 60–90 day application development period which will begin in March. Therefore, the earliest that applications would be due would be a date in May of 2022. Here is the general program timeline for reference.

b. An announcement will go out through many channels when the application goes live. You will only get a direct email announcement if you are signed up for communication from Community Development at the MEDC. If you are not already, please sign-up for the CD newsletter. We will be sharing key announcements and upcoming opportunities, such as RAP and other grants, to this list as opportunities become available.

94. Do current deals or projects qualify, such as those that already have awards, but due to new circumstances have been unable to move forward?

Yes, it is possible to receive a RAP award in addition to another award. The application would go through an underwriting review that considers all of the financing sources and the current conditions that are creating additional financial need.

95. Could the regional entity handle the funds themselves rather than rely on a third-party (foundation) if they so choose? As I understand, for the applicant to be considered for the $20 million, they would need to be a group or organization submitting a regional application, with the intention of acting as a subgrant and having a revitalization strategy in place. Therefore, a singular municipality cannot directly apply for this $20 million subgrant category. Instead, a singular municipality could potentially apply for multiple $1 million–$5 million grants (depending on the projects) that could equate to $20 million. The larger award amount is available for any local or regional partner applicants that develops a subgrant program. Requests for subgrant awards must demonstrate local or regional coordination to implement a revitalization strategy. A city would be an eligible applicant and a city or regional entity could administer the regranting without the assistance of a foundation.

96. Could I add MEDC regional staff to a committee formed to evaluate subgrant applications if an eligible entity pursued an award for regional use?

Unfortunately, before grant awards are made by the Michigan Strategic Fund (MSF), MEDC staff are unable to participate in a local committee to evaluate subgrant applications because the regional staff may need to review applications and otherwise support administration of the grants for the MSF. After awards are approved by the MSF, the regional field staff may be available to assist local committees who are implementing the award.
Responses to written questions submitted to MEDC as of January 31, 2022:

97. With qualifying projects at the 60 percent earning less than median income for the community or 25 percent of the beneficiaries below the federal poverty line, how would we document service to these populations? I have a library that might be interested in the project and they serve a village and one township. How would they document service to either of these populations? Do they simply say that they are servicing them, do they need surveys, questionnaires etc.?  
Treasury recently released the “Coronavirus State and Local Fiscal Recovery Funds Final Rule” and overview of the final rule which provides more guidance on this. Recipients can measure income for a specific household or the median income for the community, depending on whether the response they plan to provide serves specific households or the general community. The income thresholds vary by household size; recipients should generally use income thresholds for the appropriate household size but can use a default household size of three when easier for administration or when measuring income for a community. For this project to qualify, it would need to serve disproportionately impacted communities through assistance to low-income households. The guidance says that “income at or below 185 percent of the federal poverty guidelines for the size of its household based on the most recently published poverty guidelines by the HHS or income at or below 40 percent of the AMI for its county.” The income limit for 185 percent of the federal poverty guidelines for a household of three is $40,626 per year. (page 19, Final Rule Overview). 
Documentation of services for a library may include providing information on number of library card holders live in census tracts or communities that have median incomes below this level.

98. Is there a federal registration requirement for awardees?
All awardees will be required to register in the System for Award Management (SAM), and will be issued a unique entity identifier, which is an identification number established through SAM as part of the reporting requirements. All awardees who have not previously registered with SAM should do so, as soon as possible after notification of award.
Responses to written questions submitted to MEDC as of February 7, 2022:

99. My proposal would require rezoning to allow the development. Would it be better to request rezoning before the application process begins? Or is this something that we will be assisted with, within the process?

Per federal program guidelines, all Revitalization and Placemaking (RAP) funds must be obligated by December 31, 2024, and must be expended by December 31, 2026, therefore project readiness will be an essential part of the application review and projects that require rezoning will not score as well as a project that has already been rezoned.
Responses to written questions submitted to MEDC as of February 14, 2022:

100. Can local ARPA funds be used as match for a RAP application?
Yes.

101. Can a city provide letters of support for more than one RAP application, including their own application?
Yes.

102. Can a letter of support come from a county?
Yes.

103. RAP guidelines say, “Projects that include housing must include units that are priced to be attainable to the local workforce including households with less than 120 percent of the area median income,” however, low-income housing within Final Rule Overview is defined differently. Why is there a difference?
The RAP program anticipates all projects falling within two ARPA expenditure categories: 2.11, “Travel, Tourism and Hospitality;” and 3.13, “Social Determinants of Health Other.” Each expenditure category may include capital expenditure projects that include low- and middle-income housing. Projects in the expenditure category “Social Determinants of Health Other” must be primarily serving disproportionately impacted households or communities. Treasury presumes the following households and communities are disproportionately impacted by the pandemic: low-income households and communities; households residing in qualified census tracts; households that qualify for certain federal benefits*; households receiving services provided by tribal government; households residing in the U.S. territories or receiving services from these governments. One of the enumerated projects within the Final Rule Overview (page 20) is “investments in neighborhoods to promote improved health outcomes.” Applicants with capital expenditure projects in either expenditure category should review the capital expenditure guidance on page 30 of the Final Rule Overview and those interested in other uses of funds, beyond the enumerated uses, should refer to page 32 of the Final Rule Overview, “Framework for Eligible Uses Beyond Those Enumerated.”

104. Can subgrant programs with multiple subgrant awards have subgrant project awards of more or less than 50 percent of eligible investment per project as long as the total MSF award is no more than 50 percent of the eligible investment for all of the projects that are part of the subgrant program?
No, each project in the subgrant program must receive an award amount that is no more than 50 percent of eligible costs for that project.