RAP Application

Project/Program Name:			
Applicant Entity Legal Name:		Employer Identification Number (EIN):	
Applicant Address:	City/Twp./Village:	Zip Code:	County:

Program Overview

The Revitalization and Placemaking Program (RAP) is an incentive program that will proactively deploy \$100 million in American Rescue Plan funding to address the COVID-19 impacts in Michigan communities through rehabilitation of 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. Administered by the Michigan Economic Development Corporation (MEDC) on behalf of the Michigan Strategic Fund (MSF), this tool provides access to real estate development gap financing in the form of grants between \$500 thousand and \$5 million per project for real estate rehabilitation and development, grants between \$500 thousand and \$1 million for public space place-based infrastructure per project, and grants of up to \$20 million to local or regional partners who develop a subgrant program.

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 is an essential part of this application. The American Rescue Plan Act requires that the payments from the Fiscal Recovery Fund only be used to cover expenses that respond to the COVID-19 public health emergency or its negative economic impacts, therefore qualification of the project and the ability to report both project spending and performance in compliance with federal regulations must be demonstrated for an application to be selected for MSF consideration. Each recipient should review program requirements, including Treasury's Final Rule Overview and Final Rule to determine if their proposed project includes eligible uses of State and Local Federal Relief Funds (SLFRF funds). Each recipient must develop and implement effective internal controls to ensure that funding decisions under the SLFRF award and RAP award constitute eligible uses of funds, and document determinations. Each recipient will also be required to register with SAM.gov to obtain a UEI number after their application is accepted for MSF consideration.

There are three categories of awards within this application:

- 1. Real estate rehabilitation awards to be applied to vacant, underutilized, blighted or historic buildings;
- 2. Public space place-based infrastructure awards for a single project in a traditional downtown; and
- 3. Coordinated subgrant awards for organizations who intend to implement a coordinated re-granting program to support more than one real estate rehabilitation and/or public space place-based project within their region or community.

Each applicant should apply for only one award category. Each category is outlined in the Revitalization & Placemaking Program Guidelines. All projects in each category will be scored against other projects in their specific category. Top scoring applications from all categories will be evaluated against each other to determine which combination of the top scoring applications will most effectively accomplish geographic distribution and also address the program goals below:

- 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.

To help ensure broad geographic distribution across all Michigan regions and in both rural and urban communities, less responsive proposals may be prioritized in some instances so long as the proposal meets programmatic requirements.

Award amounts may be adjusted to a lesser amount than what is requested based on project underwriting or as determined appropriate by the MSF prior to award approval.

Applications or individual projects may be disqualified for any of the following reasons:

- Failure to demonstrate how the project meets federal qualification requirements in compliance with the Final Rule Overview.
- Failure to align with RAP Program Guidelines or other MSF requirements
- Failure to demonstrate the development team's capacity to successfully implement the project.
- Failure to show that the project(s) can be completed before December 31, 2026
- Insufficient evidence that the proposed project with the requested award is financially viable
- Failure to provide all required attachments
- If the project includes a housing element, failure to include attainable units and a plan for income verification and monitoring
- If the project is in the Public Space Place Based Infrastructure, it will be disqualified if it is not located in or directly supporting a traditional downtown
- If the project includes explicitly ineligible elements such as construction of a convention center, stadium or other large capital project intended for general economic development or to aid impacted industries (see <u>Final Rule Overview</u> page 31 and <u>Final Rule Page 200</u>).
- Projects must be related and reasonably proportional to the negative impact that were
 experienced by those who will benefit from the project. Uses of funds that bear no relation or
 are grossly disproportionate to the negative impacts experienced will be disqualified.

Real Estate Rehabilitation Project

grant between \$500,000 - \$5,000,000

<u>Project Qualification:</u> Scoring, 24 points are possible, and less than 20 points will be considered failure to demonstrate how the project meets federal qualification requirements, thus disqualifying the project from further review.

- 1) All projects must be responsive to the negative public health and/or economic impacts of the COVID-19 pandemic and must fit within and provide reporting for **one** expenditure category. The RAP Program is anticipated to have projects that align with the qualifications and enumerated uses allowed per the Final Rule Overview related to the following expenditure categories. Please select one expenditure category and respond to the question that follows it. 12 points if the response states how the project qualifies within the expenditure category, how it fits in an Enumerated Use (from the Final Rule Overview or from the SLFRF Compliance and Reporting Guidance) or is responsive to the Framework for Uses Beyond those Enumerated per the Final Rule Overview and how it also aligns with the RAP program. 10 points if one is not fully responsive, 8 points if two of the three are not responsive as, zero points if qualification is uncertain.
 - a. 2.22 Strong Healthy Communities: Neighborhood Features that Promote Health and Safety
 - i. Describe if the project will benefit households or communities that are disproportionately impacted by the pandemic in compliance with federal guidance and in alignment with the RAP program (See <u>Final Rule Overview</u> pages 19 and 20 for guidance on disproportionately impacted communities and eligibility of investments in neighborhoods to promote improved health outcomes, which is further detailed on pages 129 to 137 of the <u>Final Rule</u>).
 - b. 2.31- Rehabilitation of Commercial Properties or Other Improvements
 - i. Describe how the project will address the negative economic impacts or harm to the community or industry caused by the pandemic and how the rehabilitation project is an appropriate, related and reasonably proportional, response to that harm. in compliance with federal guidance and in alignment with the RAP program.
 - c. 2.35 Aid to Tourism, travel, and hospitality
 - i. Explain if the project will support the tourism, travel, and hospitality industry in compliance with federal requirements and in alignment with the RAP program. (See <u>Final Rule Overview</u> pages 24, 25 and 32 for guidance regarding designation of an impacted industry and providing aid to address the impacted industry's negative economic impact)
- 2) Specifically identify if a) the project takes place in a Qualified Census Tract (which you can verify here). Scoring, 2 points if the project is in a Qualified Census Tract and zero points otherwise.

- 3) The RAP program is designed for projects that include Capital Expenditures (see page 207 of the Final Rule for the definition of Capital Expenditure). Capital expenditures of \$1 million or greater are required to submit written justification by answering the following questions (see pages 30 and 31 of the Final Rule Overview). Please respond to the following questions. If your Capital Expenditure is below \$1 million, no justification is required and you can simply state: Capital Expenditure is less than \$1 million. Scoring, 10 points for acceptable response to each question, 8 points for acceptable responses to two questions with only one response needing more information and zero points otherwise.
 - a. Please provide a description of the pandemic-related harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Recipients may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.
 - b. Provide an explanation of why a capital expenditure is appropriate. For example, recipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate to address the economic harm caused by COVID 19.
 - c. Provide a comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior. Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

Background Information Scoring, 4 points with one point for each complete and concise response.

- 1) Describe the current status of the subject property. Please include the following: total acreage of property, number of buildings, square footage, number of floors, historic designation (state, local, national), condition of property (vacant, dilapidated, etc.), and describe any necessary demolition.
- 2) Describe the proposed project. Please include the number of buildings. For residential, include the following: number of floors, proposed use(s), and for non-residential, elaborate on whether or not there are any anticipated tenants identified and what types of businesses or non-profits are anticipated as occupants.
- 3) What is the amount of the grant that you are seeking from this program and what is the total cost of your proposed Capital Expenditure?

 Required attachments checklist: local support recommendation letter, financial proforma, preliminary or final design documents, before photos, aerial photo, construction cost estimates, evidence of any available funding commitments, project map and if the project has a housing element provide a plan for income verification and monitoring of any affordable or attainable units.

Project Readiness and Programmatic Considerations: Scoring, 72 points possible

- 1) State whether or not the applicant owns the property. If not, please state whether or not there is a signed purchase agreement or other form of land control in place. Scoring, 6 points if they own or control the property, 0 points otherwise.
- 2) State the status of local approvals and type and amount of local financial support received for this project. If there is not any local financial support committed but it is anticipated, please state the anticipated type and amount and timing of award. Local support comes in many forms, such as a tax abatement, local tax increment financing, discounted sale price if the community currently owns the property, etc. In-kind support can be counted if the application can quantify the financial value of that support. In the Attachments, please provide documentation of your approval or request for local support and describe the local support below in 100 words or less. Scoring, 4 points for any necessary local zoning and site plan approvals and a binding commitment for local financial support, 2 points for complete local approvals or local financial support, 0 points if neither.
- 3) Describe the project's financing as it currently stands, including equity. Please identify all forms of financing related to the project. Attach any commitments, term sheets, or any other form of evidence related to the financing sources. If equity is the only current source of financing, please provide a bank statement or letter from your bank confirming that you have adequate financing to cover the amount listed in the proforma. Scoring, 6 points for debt financing and equity fully committed, 4 points for term sheets or LOIs for capital, 0 points if financing sources are unclear.
- 4) Provide information on infrastructure readiness, including any public infrastructure or utility needs associated with the site. Describe plan for addressing those needs. Scoring, 4 points if infrastructure is ready. Scoring, 4 points for a plan in place to provide infrastructure upgrades aligned with project schedule, zero points if the project site is significantly lacking in public infrastructure.
- 5) Describe your current engagement with architects or engineers and attach any design documents, renderings and/or floor plans that have been completed. Scoring, 3 points if engaged in A&E and provided renderings & floor plans, 2 points if either floor plans or renderings are provided but not both, 0 points otherwise.
- 6) Explain current engagement with a general contractor. Please attach any cost estimates. Scoring, 3 points if a contractor has been engaged and cost estimates dated within 3 months from engaged contractor are provided, 2 points if any estimates from contractors or architects/engineers are provided to support costs, 0 points otherwise.
- 7) Please explain the project schedule and how the projects will be completed by 2026. As mentioned above, these funds need to be obligated by December 31, 2024, and expended by December 31, 2026. Scoring, 3 points for a well-articulated and realistic schedule, 2 points if the schedule is missing steps, zero points if the schedule is not complete or not realistic.
- 8) Explain the development team's level of similar project-specific experience, including resume of project manager(s), any previous projects that have been undertaken and the status of those projects. Scoring, 6 points for experience represented on the team related to 3 similar projects, 4 points for two projects, 3 points for one project, disqualified if capacity is unclear.
- 9) Explain how this proposal will have a catalytic, long-term impact on the community. Please address how it will grow the tax base, activate vacant or underutilized space, grow the population, and contribute to community resiliency. 12 points possible. 3 pts for activating vacant space, 3 pts for increasing density, 2 pts for adding to the success of nearby businesses, 2

- pts for 3rd-party green building certification, 2 pts for renovating a historic building per the Secretary of the Interior's Standards
- 10) Describe how your project contributes to the community's vision and priorities as laid out in the local master plan, capital improvements plan and/or economic development strategy or other locally adopted plan that addresses COVID response and community resilience 12 points possible. 4 pts for each plan that references a need being addressed through this project up to 12 pts, or 12 pts for a locally adopted plan that included multiple opportunities for public input and specifically identifies this project as a priority
- 11) Describe how the site is served by non-motorized infrastructure. 4 pts for a well-connected non-motorized network that connects to services and employment opportunities, 3 pts if the site is served by sidewalks/paths without complete connections to services and employment opportunities, 0 pts otherwise
- 12) Articulate why the project will not be successful without this grant. Scoring, 6 points for clearly articulated financial need, zero points otherwise.
- 13) Describe any other form or forms of federal tax credit equity or other grants that this project is leveraging other than those listed under local support (above). Do not include any other MSF or MEDC awards. Scoring, 3 points if applicant has leveraged 2 other sources, 2 points if it has leveraged 1 other source, 0 otherwise.

<u>Tie Breaker Questions</u>: These responses will not be scored but will be used to evaluate equally scored Public Space Place-Based Project applications against one another and to determine which combination of top scoring applications from all categories most effectively accomplish RAP program goals.

- Are the project benefits broad reaching? In other words, the project qualifies because it is addressing the impacts of COVID-19 on a specific group, but will the overall benefits of the project impact multiple groups within your community? Please provide up to five letters of support.
- 2) Please provide a summary response (no more than 500 words total) to the following questions.
- How does the project 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.
- How does the project help local governments avoid budget crises, retain current residents, and enhance downtown vitality?

<u>Public Space Place-Based Infrastructure Project</u> grant between \$500,000 and \$1,000,000

<u>Project Qualification:</u> Scoring, 24 points are possible, and less than 20 points will be considered failure to demonstrate how the project meets federal qualification requirements, thus disqualifying the project from further review.

 All projects must be responsive to the negative public health and/or economic impacts of the COVID-19 pandemic and must fit within and provide reporting for **one** expenditure category.
 The RAP Program is anticipated to have projects that align with the qualifications and enumerated uses allowed per the <u>Final Rule Overview</u> related to the following expenditure categories. Please select one expenditure category and respond to the question that follows it. Scoring, 12 points if the response includes 1) how the project qualifies within the expenditure category, 2) how it fits in an Enumerated Use (from the Final Rule Overview or from the SLFRF Compliance and Reporting Guidance) or is responsive to the Framework for Uses Beyond those Enumerated per the <u>Final Rule Overview</u> and 3) how it also aligns with the RAP program. 10 points if any one of the three appear to be not fully responsive as articulated, 8 points if any of two of the three appear to be not fully responsive as articulated, zero points if qualification is not certain.

- a. 2.22 Strong Healthy Communities: Neighborhood Features that Promote Health and Safety
 - ii. Describe if the project will benefit households or communities that are disproportionately impacted by the pandemic in compliance with federal guidance and in alignment with the RAP program (See <u>Final Rule Overview</u> pages 19 and 20 for guidance on disproportionately impacted communities and eligibility of investments in neighborhoods to promote improved health outcomes, which is further detailed on pages 129 to 137 of the <u>Final Rule</u>).
- b. 2.31- Rehabilitation of Commercial Properties or Other Improvements
 - i. Describe how the project will address the negative economic impacts or harm to the community or industry caused by the pandemic and how the rehabilitation project is an appropriate, related and reasonably proportional, response to that harm in compliance with federal guidance and in alignment with the RAP program.
- c. 2.35 Aid to Tourism, travel, and hospitality
 - i. Explain if the project will support the tourism, travel, and hospitality industry in compliance with federal requirements and in alignment with the RAP program. (See <u>Final Rule Overview</u> pages 24, 25 and 32 for guidance regarding designation of an impacted industry and providing aid to address the impacted industry's negative economic impact)
- 2) Specifically identify if a) the project takes place in a Qualified Census Tract (which you can verify here). Scoring, 2 points if the project is in a Qualified Census Tract and zero points otherwise.
- 3) The RAP program is designed for projects that include Capital Expenditures (see page 207 of the Final Rule for the definition of Capital Expenditure). Capital expenditures of \$1 million or greater are required to submit written justification by answering the following questions (see pages 30 and 31 of the Final Rule Overview). Please respond to the following questions. If your Capital Expenditure is below \$1 million, no justification is required, and you can simply state: Capital Expenditure is less than \$1 million. Scoring, 10 points for acceptable response to each question, 8 points for acceptable responses to two questions with only one response needing more information and zero points otherwise.

- a. Please provide a description of the pandemic-related harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Recipients may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.
- b. Provide an explanation of why a capital expenditure is appropriate. For example, recipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate to address the economic harm caused by COVID 19.
- c. Provide a comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior. Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

Background Information Scoring, 4 points with one point for each complete and concise response.

- 1) Describe the proposed project.
- 2) Provide a map with your application that clearly identifies where the improvements will be made and what types of building uses, and public spaces are around the proposed investment.
- 3) What is the amount of the grant that you are seeking from this program and what is the total cost of your proposed Capital Expenditure?
- 4) Required attachment checklist: Local support recommendation letter, preliminary or final design documents, before photos, aerial photo, construction cost estimates, evidence of funding commitments, project map.

Project Readiness and Programmatic Considerations: Scoring, 72 points possible.

- 1) Describe the status of the project including status of construction drawings, cost estimates? Scoring, 3 points for final designs and contractor-provided construction cost estimates, 2 points for preliminary designs and preliminary cost estimates, zero points otherwise.
- 2) Describe any property acquisition or easements that are necessary for this project to move forward? Scoring, 3 points if no acquisition or easements are necessary or if all necessary control has been secured, 2 points if control or easements are pending, zero points otherwise.
- 3) Provide and describe how the project will benefit nearby businesses and attach any support letter(s) from adjacent or nearby businesses or property owners? Scoring, 2 points for each relevant letter of support up to a total of 8 points.
- 4) Please explain the project schedule and how the projects will be completed before December 31 of 2026, as funds need to be expended by that date. Scoring, 4 points for a well-articulated schedule that identifies dates and where financing commitments align.
- 5) Explain the applicant's project team's level of similar project-specific experience, including any previous projects requiring construction monitoring and federal reporting that have been undertaken and the status of those projects. Scoring, 6 points for two projects completed, 4 points for one project completed and zero points for no relevant examples.

- 6) Identify and provide evidence for other sources of funds for this project, including the type and amount of local financial support received for this project. Scoring 8 points. 8 pts: non-RAP funds secured w/ 1+ source other than applicant or MSF award 5 pts: non-RAP funds secured but only source of funds is applicant 5 pts: at least 1 source other than applicant but lacks evidence that all non-RAP funds are secured else 0 pts
- 7) How has the use of public space in the area changed during the pandemic and how will this project have a positive long-term impact on the community? Please address how it will grow the tax base, activate vacant or underutilized space, and contribute to the resiliency of the community? Scoring, 12 points possible 3 pts if activating vacant or underutilized space, 3 pts if the project will contribute to the success of businesses located within ¼ mile, and 3 pts if the project includes innovative low-impact or green construction practices
- 8) Describe how your project contributes to the community's vision and priorities as laid out in the local master plan, capital improvements plan and/or economic development strategy or other locally adopted plan that addresses COVID response and community resiliency. Scoring, 12 points possible 4 pts for each plan that references a need being addressed through this project up to 12 pts, or 12 pts for a locally adopted plan that included multiple opportunities for public input and specifically identifies this project as a priority
- 9) How will this project be maintained long-term? Identify maintenance plan, funding, the organization that will be responsible, and elaborate on any other anticipated tasks associated with the maintenance of the final product. Scoring, 8 points for a maintenance budget with seasonal maintenance tasks and source of funding for maintenance identified, zero points otherwise.
- 10) How will this public space be programmed for use by businesses, for recreation, and accessibility for all? Identify how the space will be used, by whom, and how Universal Design will be incorporated throughout the entire project. Scoring 8 points total. 8 points for a plan with at least one seasonal activity, Universal Design throughout the project, and funding. 5 points for less active use, and 50%-75% of the project Universal Design, zero for non-programmed space and less than 50% universal design.

<u>Tie Breaker Questions</u>: These responses will not be scored but will be used to evaluate equally scored Public Space Place-Based Project applications against one another and to determine which combination of top scoring applications from all categories most effectively accomplish RAP program goals.

- 1) Are the project benefits broad reaching? In other words, the project qualifies because it is addressing the impacts of COVID-19 on a specific group, but will the overall benefits of the project impact multiple groups within your community? Please provide up to five letters of support that are not also included in number 3) above.
- 2) Please provide a summary response (no more than 500 words total) to the following questions.
- How does the project 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.
- How does the project help local governments avoid budget crises, retain current residents, and enhance downtown vitality?

Subgrant Program

grant of up to \$20 million

Subgrant programs may support any number of real estate rehabilitation and public space place-based projects within their region or community with sub awards, but all projects must be identified and scored as part of this application. Applicants must respond to all questions in either Part 1, Real Estate Rehabilitation Projects or Part 2, Public Space Place-based Projects for each subgrant award project. The maximum score for each subgrant project is 80 points and the scores for each individual project will be added together and divided by the total number of projects to calculate the application's average project score. The average project score will be added to the total score for Part 3, Subgrant application questions in order to calculate the total subgrant application score.

Part 1 Real Estate Rehabilitation Project Questions Scoring, 80 points total

Project Number and Name (Please number each project in application 1, 2, 3,)			
Property Owner Legal Name:		Employer Identification (EIN) if applicable:	
Project Address:	City/Twp./Village:	Zip Code:	County:

<u>Project Qualification:</u> Scoring, 24 points are possible, and less than 20 points will be considered failure to demonstrate how the project meets federal qualification requirements, thus disqualifying the project from further review.

1) All projects must be responsive to the negative public health and/or economic impacts of the COVID-19 pandemic and must fit within and provide reporting for one expenditure category. The RAP Program is anticipated to have projects that align with the qualifications and enumerated uses allowed per the <u>Final Rule Overview</u> related to the following expenditure categories. Please select one expenditure category and respond to the question that follows it. Scoring, 12 points if the response includes 1) how the project qualifies within the expenditure category, 2) how it fits in an Enumerated Use (from the Final Rule Overview or from the SLFRF Compliance and Reporting Guidance) or is responsive to the Framework for Uses Beyond those Enumerated per the <u>Final Rule Overview</u> and 3) how it also aligns with the RAP program. 10 points if any one of the three appear to be not fully responsive as articulated, 8 points if any of

two of the three appear to be not fully responsive as articulated, zero points if qualification is not certain.

- a. 2.22 Strong Healthy Communities: Neighborhood Features that Promote Health and Safety
 - iii. Describe if the project will benefit households or communities that are disproportionately impacted by the pandemic in compliance with federal guidance and in alignment with the RAP program (See Final Rule Overview pages 19 and 20 for guidance on disproportionately impacted communities and eligibility of investments in neighborhoods to promote improved health outcomes, which is further detailed on pages 129 to 137 of the Final Rule).
- b. 2.31- Rehabilitation of Commercial Properties or Other Improvements
 - i. Describe how the project will address the negative economic impacts or harm to the community or industry caused by the pandemic and how the rehabilitation project is an appropriate, related and reasonably proportional, response to that harm in compliance with federal guidance and in alignment with the RAP program.
- c. 2.35 Aid to Tourism, travel, and hospitality
 - Explain if the project will support the tourism, travel, and hospitality industry in compliance with federal requirements and in alignment with the RAP program. (See <u>Final Rule Overview</u> pages 24, 25 and 32 for guidance regarding designation of an impacted industry and providing aid to address the impacted industry's negative economic impact)
- 2) Specifically identify if a) the project takes place in a Qualified Census Tract (which you can verify here). Scoring, 2 points if the project is in a Qualified Census Tract and zero points otherwise.
- 3) The RAP program is designed for projects that include Capital Expenditures (see page 207 of the Final Rule for the definition of Capital Expenditure). Capital expenditures of \$1 million or greater are required to submit written justification by answering the following questions (see pages 30 and 31 of the Final Rule Overview). Please respond to the following questions. If your Capital Expenditure is below \$1 million, no justification is required and you can simply state: Capital Expenditure is less than \$1 million. Scoring, 10 points for acceptable response to each question, 8 points for acceptable responses to two questions with only one response needing more information and zero points otherwise.
 - a. Please provide a description of the pandemic-related harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency.
 Recipients may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.
 - b. Provide an explanation of why a capital expenditure is appropriate. For example, recipients should include an explanation of why existing equipment and facilities, or

- policy changes or additional funding to pertinent programs or services, would be inadequate to address the economic harm caused by COVID 19.
- c. Provide a comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior. Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

Background Information Scoring, 3 points with one point for each complete and concise response.

- 1) Describe the current status of the subject property. Please include the following: total acreage of property, number of buildings, square footage, number of floors, historic designation (state, local, national), condition of property (vacant, dilapidated, etc.), and describe any necessary demolition.
- 2) Describe the proposed project the amount of the grant that you are seeking from this program and what is the total cost of your proposed Capital Expenditure. Please include the number of buildings. For the residential, include the following: number of floors, proposed use(s), and for non-residential, elaborate on whether or not there are any tenants lined up and what types of businesses or non-profits are anticipated as occupants.
- 3) Required attachments checklist: local support recommendation letter, financial proforma, preliminary or final design documents, before photos, aerial photo, construction cost estimates, evidence of any available funding commitments, project map and if the project has a housing element provide a plan for income verification and monitoring of any affordable or attainable units.

Project Readiness and Programmatic Considerations: Scoring, 53 points possible

- 1) State whether or not the applicant owns the property. If not, please state whether or not there is a signed purchase agreement or other form of land control in place. Scoring, 4 points if they own or control the property, 0 points otherwise.
- 2) State the status of local approvals and type and amount of local financial support received for this project. If there is not any local financial support committed but it is anticipated, please state the anticipated type and amount and timing of award. Local support comes in many forms, such as a tax abatement, local tax increment financing, discounted sale price if the community currently owns the property, etc. In-kind support can be counted if the application can quantify the financial value of that support. In the Attachments, please provide documentation of your approval or request for local support and describe the local support below in 100 words or less. Scoring, 3 points for having achieved any necessary local zoning and site plan approvals and a binding commitment for local financial support, 2 points for complete local approvals or local financial support, 0 points if neither.
- 3) Describe the project's financing as it currently stands, including equity. Please identify all forms of financing related to the project. Attach any commitments, term sheets, or any other form of evidence related to the financing sources. If equity is the only current source of financing, please provide a bank statement or letter from your bank confirming that you have adequate financing to cover the amount listed in the proforma. Scoring, 3 points for debt financing and equity fully committed, 2 points for term sheets or LOIs for capital, 0 points if financing sources are unclear.

- 4) Provide information on infrastructure readiness, including any public infrastructure or utility needs associated with the site. Describe plan for addressing those needs. Scoring, 4 points if infrastructure is ready. Scoring, 3 points for a plan in place to provide infrastructure upgrades aligned with project schedule, zero points if the project site is significantly lacking in public infrastructure.
- 5) Describe your current engagement with architects or engineers and attach any design documents, renderings and/or floor plans that have been completed. Scoring, 3 points if engaged in A&E and provided renderings & floor plans, 2 points if either floor plans or renderings are provided but not both, 0 points otherwise.
- 6) Explain current engagement with a general contractor. Please attach any cost estimates. Scoring, 2 points if a contractor has been engaged and cost estimates dated within 3 months from engaged contractor are provided, 1 point if any estimates from contractors or architects/engineers are provided to support costs, 0 points otherwise.
- 7) Please explain the project schedule and how the projects will be completed by 2026. As mentioned above, these funds need to be obligated by December 31, 2024, and expended by December 31, 2026. Scoring, 3 points for a well-articulated and realistic schedule, 2 points if the schedule is missing steps, zero points if the schedule is not complete or not realistic.
- 8) Explain the development team's level of similar project-specific experience, including resume of project manager(s), any previous projects that have been undertaken and the status of those projects. Scoring, 3 points for experience represented on the team related to 3 similar projects, 2 points for two projects, 1 point for one project, 0 points otherwise.
- 9) Explain how this proposal will have a catalytic, long-term impact on the community. Please address how it will grow the tax base, activate vacant or underutilized space, grow the population and contribute to community resiliency. Scoring, 12 points possible 3 points for projects activating vacant space, 3 points if the investment is increasing density and attracting new residents, 2 points if the project will contribute to the success of businesses located within ¼ mile, 2 points if the project includes third-party green building certification, and 2 points if the project is renovating a historic building in compliance with the Secretary of the Interior's Standards for preservation.
- 10) Describe how your project contributes to the community's vision and priorities as laid out in the local master plan, capital improvements plan and/or economic development strategy or other locally adopted plan that addresses COVID response and community resiliency. Scoring, 8 points possible, 2 points for each plan that references a need that is being addressed through this project up to 8 points, or 6 points for a locally adopted plan that included multiple opportunities for public input and specifically identifies this project as a priority.
- 11) Describe how the site is served by non-motorized infrastructure. Scoring, 3 points for a well-connected non-motorized network that connects to services and employment opportunities, 2 points if the site is served by sidewalks and paths without complete connections to services and employment opportunities, zero points otherwise.
- 12) Articulate why the project will not be successful without this grant. Scoring, 4 points for clearly articulated financial need, zero points otherwise.
- 13) Describe any other form or forms of federal tax credit equity or other grants that this project is leveraging other than those listed under local support (above). Do not include any other MSF or

MEDC awards. Scoring, 3 points if applicant has leveraged 2 other sources, 2 points if it has leveraged 1 other source, 0 otherwise.

Part 2 – Public Space Place-based Project Questions: Scoring, 80 points total

Project Number and			
Project Name			
Property Owner Legal Name:		Employer Identification (EIN) if applicable:	
Project Address:	City/Twp./Village:	Zip Code:	County:

<u>Project Qualification:</u> Scoring, 24 points are possible, and less than 20 points will be considered failure to demonstrate how the project meets federal qualification requirements, thus disqualifying the project from further review.

- 1) All projects must be responsive to the negative public health and/or economic impacts of the COVID-19 pandemic and must fit within and provide reporting for one expenditure category. The RAP Program is anticipated to have projects that align with the qualifications and enumerated uses allowed per the Final Rule Overview related to the following expenditure categories. Please select one expenditure category and respond to the question that follows it. Scoring, 12 points if the response includes 1) how the project qualifies within the expenditure category, 2) how it fits in an Enumerated Use (from the Final Rule Overview or from the SLFRF Compliance and Reporting Guidance) or is responsive to the Framework for Uses Beyond those Enumerated per the Final Rule Overview and 3) how it also aligns with the RAP program. 10 points if any one of the three appear to be not fully responsive as articulated, 8 points if any of two of the three appear to be not fully responsive as articulated, zero points if qualification is not certain.
 - a. 2.22 Strong Healthy Communities: Neighborhood Features that Promote Health and Safety
 - iv. Describe if the project will benefit households or communities that are disproportionately impacted by the pandemic in compliance with federal guidance and in alignment with the RAP program (See <u>Final Rule Overview</u> pages 19 and 20 for guidance on disproportionately impacted communities and eligibility of investments in neighborhoods to promote improved health outcomes, which is further detailed on pages 129 to 137 of the <u>Final Rule</u>).
 - b. 2.31- Rehabilitation of Commercial Properties or Other Improvements

- i. Describe how the project will address the negative economic impacts or harm to the community or industry caused by the pandemic and how the rehabilitation project is an appropriate, related and reasonably proportional, response to that harm in compliance with federal guidance and in alignment with the RAP program.
- c. 2.35 Aid to Tourism, travel, and hospitality
 - Explain if the project will support the tourism, travel, and hospitality industry in compliance with federal requirements and in alignment with the RAP program.
 (See <u>Final Rule Overview</u> pages 24, 25 and 32 for guidance regarding designation of an impacted industry and providing aid to address the impacted industry's negative economic impact)
- 2) Specifically identify if a) the project takes place in a Qualified Census Tract (which you can verify here). Scoring, 2 points if the project is in a Qualified Census Tract and zero points otherwise.
- 3) The RAP program is designed for projects that include Capital Expenditures (see page 207 of the Final Rule for the definition of Capital Expenditure). Capital expenditures of \$1 million or greater are required to submit written justification by answering the following questions (see pages 30 and 31 of the Final Rule Overview). Please respond to the following questions. If your Capital Expenditure is below \$1 million, no justification is required, and you can simply state: Capital Expenditure is less than \$1 million. Scoring, 10 points for acceptable response to each question, 8 points for acceptable responses to two questions with only one response needing more information and zero points otherwise.
 - a. Please provide a description of the pandemic-related harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Recipients may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.
 - b. Provide an explanation of why a capital expenditure is appropriate. For example, recipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate to address the economic harm caused by COVID 19.
 - c. Provide a comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior. Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

<u>Background Information</u> Scoring, 2 points available for complete and concise responses to the two requests below.

1) Describe the proposed project, the amount of the grant that you are seeking from this program and the total cost of your proposed Capital Expenditure.

2) Required attachment checklist: Local support recommendation letter, preliminary or final design documents, before photos, aerial photo, construction cost estimates, evidence of funding commitments, project map that clearly identifies where the improvements will be made and what types of building uses, and public spaces are around the proposed investment.

Project Readiness and Programmatic Considerations: Scoring, 54 points possible.

- 1) Describe the status of the project including status of construction drawings, cost estimates? Scoring, 2 points for final designs and contractor-provided construction cost estimates, 1 point for preliminary designs and preliminary cost estimates, zero points otherwise.
- 2) Describe any property acquisition or easements that are necessary for this project to move forward? Scoring, 2 points if no acquisition or easements are necessary or if all necessary control has been secured, 1 point if control or easements are pending, zero points otherwise.
- 3) Provide and describe how the project will benefit nearby businesses and attach any support letter(s) from adjacent or nearby businesses or property owners? Scoring, 4 points possible, 2 points for each relevant letter of support up to a total of 4 points.
- 4) Please explain the project schedule and how the projects will be completed before December 31 of 2026, as funds need to be expended by that date. Scoring, 3 points for a well-articulated schedule that identifies dates and where financing commitments align.
- 5) Explain the applicant's project team's level of similar project-specific experience, including any previous projects requiring construction monitoring and federal reporting that have been undertaken and the status of those projects. Scoring, 3 points for two projects completed, 3 points for one project completed and zero points for no relevant examples.
- 6) Identify and provide evidence for other sources of funds for this project, including the type and amount of local financial support received for this project. Scoring, 7 points if all non-RAP funding is secured and there is at least one source other than the applicant, anticipated RAP award, and any other MSF award. 5 points if all non-RAP funding is secured but the only sources of funding are the applicant and RAP. 5 points if there is at least one source other than the applicant and RAP, but there is not sufficient evidence that all non-RAP funding is secured. Zero points if no other sources and lacking sufficient evidence that all funding is secured.
- 7) How has the use of public space in the area changed during the pandemic and how will this project have a positive long-term impact on the community? Please address how it will grow the tax base, activate vacant or underutilized space, and contribute to the resiliency of the community? Scoring, 12 points possible 3 points if it is activating vacant or underutilized space, 3 points if the project will contribute to the success of businesses located within ¼ mile, and 3 points if the project includes innovative low-impact or green construction practices.
- 8) Describe how your project contributes to the community's vision and priorities as laid out in the local master plan, capital improvements plan and/or economic development strategy or other locally adopted plan that addresses COVID response and community resiliency. Scoring, 6 points possible, 3 points for each plan that references a need that is being addressed through this project up to 6 points, or 6 points for a locally adopted plan that included multiple opportunities for public input and specifically identifies this project as a priority.
- 9) How will this project be maintained long-term? Identify maintenance plan, funding, the organization that will be responsible, and elaborate on any other anticipated tasks associated

- with the maintenance of the final product. Scoring, 7 points for a maintenance budget with seasonal maintenance tasks and source of funding for maintenance identified, zero points otherwise.
- 10) How will this public space be programmed for use by businesses, for recreation, and accessibility for all? Identify how the space will be used, by whom, and how Universal Design will be incorporated throughout the entire project. Scoring, 8 points for a detailed programming plan with at least one activity per season, Universal Design throughout the project, and source of funding, 5 points for a space that will have less active use, and less than 100% and greater than 50% of the project Universal Design, zero for non-programmed space and less than 50% universal design.

Part 3 - Subgrant Application Questions Scoring, 20 points total

- Identify the number of projects you intend to complete and the jurisdictions in which those
 projects will be located. Please number the projects and refer to the projects as those same
 numbers throughout the application. Provide a map showing the location of all projects. Scoring,
 1 point for a complete response.
- 2) What is the total amount of the grant that you are seeking for a subgrant program? And how will those funds be dispersed to the projects mentioned above? Scoring, 1 point for a complete response.
- 3) Explain the level of real estate development project management experience your organization has, and any experience with federal government grant management. 6 pts for experience with real estate development project management and federal government grant management that has been applied to multiple similar projects, 4 pts for relevant experience but not applied to a similar project, 0 pts otherwise.
- 4) Explain how your proposal and each project aligns with an organized local or regional strategy, why each project was selected and is being put forward as a priority. Scoring 12 points possible. 2 pts per letter of support from various regional partners that references same regional strategy and how they intend to support the success of this proposal (max 10 pts) and 2 pts for an explanation of why each project is being put forward as a priority

<u>Tie Breaker Questions</u>: These responses will not be scored but will be used to evaluate equally scored subgrant programs against one another and to determine which combination of top scoring applications from all categories most effectively accomplish RAP program goals.

- 1) Are the program benefits broad reaching? In other words, will the program overall benefit multiple communities? Please provide a letter of support from each City, Village or Township that will benefit from the proposed program.
- 2) Please provide a summary response (no more than 500 words total) to the following questions.
- How does the program 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.

• How does the program help local governments avoid budget crises, retain current residents, and enhance downtown vitality?