



REVITALIZATION & PLACEMAKING

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

Eligible applicants are individuals or entities working to rehabilitate vacant, underutilized, blighted and historic structures and the development of permanent place-based infrastructure¹ associated with traditional downtowns, social-zones, outdoor dining and place-based public spaces.

The RAP program will award funding to eligible applicants based on one or more competitive application rounds, with the first application round being announced in early 2022.

PROGRAM GOALS

- 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.

AWARD STRUCTURE AND FUNDING

- All awards will be structured as grants with performance milestones and reporting requirements. All awards must meet all requirements of the American Rescue Plan Act of 2021, Public Law 117-2 and comply with its attendant federal regulations, 31 CFR 35, as amended from time to time.
- Grant awards may be made directly to individual projects, or to local or regional partner organizations for regranting to local communities or projects.
- The minimum grant award is \$500,000 and the maximum awards are \$5 million per project for real estate rehabilitation and development, \$1 million per project for public space place-based infrastructure and \$20 million for local or regional partner applicants that develop a subgrant program. Requests for subgrant awards must demonstrate local or regional coordination to implement a revitalization strategy.

What is the required match to receive a grant?

The minimum required match for RAP awards 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.

GENERAL PROGRAM TIMELINE

All RAP program funds must be obligated by December 31, 2024, and must be expended by December 31, 2026. Applications went live on March 31 and are due on June 3, 2022. Applications will be competitively evaluated and those selected for potential recommendation to the Michigan Strategic Fund will be notified in the summer of 2022. In the event there are remaining funds, additional funding rounds may be necessary.

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.



PROJECT CONSIDERATIONS

The most competitive project submissions will clearly address the impacts of the COVID-19 pandemic by responding to the considerations below:

- 1. 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.
- 2. Location:** Preference will be given to projects located in federal [qualified census tracts](#) (QCT) and to projects located in traditional downtowns or commercial corridors.
- 3. 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 program requirements.
- 4. Capacity:** The applicant, consultant or individual member of the development team must have experience implementing a project of a similar scope.
- 5. 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.
- 6. 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.
- 7. Financial viability:** Demonstrate long-term financial viability of the project and a financial need for the project.
- 8. Local and regional impact considerations:** A 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, along with the readiness of infrastructure.

HOW TO BEGIN THE PROCESS

Refer to www.michiganbusiness.org/rap for program updates. Submit any questions to CDincentives@michigan.org.