



CITY OF CHARLEVOIX

Development Assistance Grant Program

Background

The City of Charlevoix recognizes that the costs and challenges of launching a new business venture can be complicated and strives to assist new development and redevelopment projects aligning with the City's goals for growth and development. The Development Assistance Grant Program is intended to help offset startup costs for City utilities. The City recognizes that, in the long run, job growth and housing expansion will grow a more vibrant local economy yielding more use of City utilities and bringing more tax revenue to the City.

General Rules

- The development or redevelopment property must wholly lie within the corporate limits of the City of Charlevoix or be subject to an approved property transfer agreement.
- All development or redevelopment projects must be subject to a development agreement between the City and the developer stipulating such items including but not limited to the following when applicable: employment growth expectations, housing unit creations, rent/lease rates, rental terms, deed restrictions, and efficiency standards.
- For housing units, a minimum of five units intended for year-round, permanent occupancy or seasonal worker occupancy must be created or redeveloped.
- For industrial or commercial projects, a minimum of five FTE jobs should be created within three years and the project must include not less than \$1 million of site improvements, construction, or rehabilitation.
- The grant offered can be used as a credit against fees for equipment and labor necessary to start or upgrade utility service normally charged by the City. The credit is only good on utilities offered by the City and will not credit usage or other monthly fees. Credits expire upon the issuance of an Occupancy Permit.
- The grant has no cash value.

Development Goals

A growing population should be supported by a growing number of jobs and investments in the community through existing businesses and welcoming new investment to perpetuate the vitality of the region. As such, the City Council has determined the following as goals for development and projects seeking assistance should adhere to them:

- Year-round residential occupancy in support of those who work year-round or seasonally in local jobs
- Dense residential units in keeping with the Master Plan and Zoning Ordinance of the City of Charlevoix
- Developments that support goals outlined in one of the City's development studies (i.e. Sustainable Built Environment Initiative, Downtown Plan, Market Analysis, etc) or developments that occur on a property noted by the City as a Prime Site for Future Growth and Development
- Industrial or commercial jobs that provide higher than average wages and that are permanent, year-round, and full-time with reasonable benefits

Scoring Assessment

Applications can be discussed with the City Manager and once complete, will be considered by City Council for final approval based on the parameters below. Approval of projects is subject to site plan review processes.

Job Growth/Retention

<u>Number of Jobs</u>	<u>Retained</u>	<u>and/or</u>	<u>Created</u>
5-10	10 points		25 points
11-20	30 points		85 points
21-35	50 points		125 points
36-50	70 points		175 points
50 or more	100 points		250 points

Housing

<u>Units Created</u>		<u>Housing Cost</u>	
5-10	10 points per unit	Subsidized/Section 8	Unit Creation points multiplied by 0.5
10-20	15 points per unit	Market-rate rent	Unit Creation points multiplied by 1.5
20 or more	20 points per unit	Owner-occupied	Unit Creation points multiplied by 1.7

Cost of Construction/Improvement in Real Value

\$500,000-999,999	10 points	\$6,000,000-9,999,999	100 points
\$1,000,000-1,499,999	30 points	\$10,000,000-14,999,999	300 points
\$1,500,000-2,999,999	40 points	\$15,000,000 and up	500 points
\$3,000,000- 5,999,999	50 points		

Location/Development Type

Is the project on a Prime Site for Redevelopment?	YES	NO	25 points
Is the project a business type or service noted in a Market Needs Analysis or other plan as needed by the community?	YES	NO	25 points
Is the project in keeping with the City's Master Plan and Zoning Code?	YES	NO	

Scoring

Credit is the lesser of percentage of the utility installation costs or dollar value.

50-100 points	25% or \$10,000	301-450 points	65% or \$25,000
101-175 points	35% or \$10,000	451-600 points	90% or \$40,000
176-300 points	50% or \$15,000	601 points +	90% or \$75,000