



Michigan Rural Community Demolition Grant

In Fiscal Year 2020, the State Land Bank Authority (SLBA) received an appropriation of \$250,000 in their annual budget to continue the Michigan Rural Community Demolition Grant in counties with populations under 50,000. Each awarded grant is to be used to demolish vacant and abandoned structures and promote public safety, stabilize property values and enhance economic development opportunities throughout the state of Michigan.

Maximum Award: The maximum award per proposal will be \$50,000.00.

Eligible Applicants: County Land Banks or local units of government such as counties, cities, townships, or villages located in counties with a population less than \$50,000 reported in the 2010 census data. There is a limit of one proposal per applicant; however, multiple applicants from one county can apply.



Eligible Projects: Only vacant and abandoned blighted commercial or residential structures may be demolished.

A structure is blighted if it meets any of the following criteria:

- Public nuisance according to local codes or ordinances.
- Fire hazard or otherwise dangerous to the safety of persons or property.
- Has had utilities, plumbing, heating or sewerage disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for the intended use.

Privately-owned structures may be demolished with grant funds, but there will be a lien placed on the property. The eligible community must submit the application and accept the grant dollars. Any privately-owned structure must be deemed a dangerous building and/or condemned with a demolition order on it following local, established ordinances.

Publicly-owned blighted structures are automatically eligible for demolition.

Evaluation: Proposals will be evaluated based on their anticipated impact in promoting public safety, stabilizing property values, enhancing economic development, public and private investment in the project and their alignment with a local place plan or other placemaking effort.

Scoring:

SCORE	CRITERIA
9 TO 10	application demonstrates that the project meets the criterion exceptionally well
7 TO 8	the project serves the goal to a high degree
4 TO 6	the project serves the stated goal
1 TO 3	the project marginally serves the goal
0	the project does not meet the stated goal

Administration of Project Funds: An applicant has two options in applying for project funds. It may apply for direct demolition by the SLBA or for a local-level grant. For direct demolition, the SLBA will procure contractors and manage the demolition process in cooperation with the successful applicant. Alternatively, an applicant with the experience and capacity to undertake demolition projects may apply for a local-level grant. Applicants for a local level grant must demonstrate the capacity to administer the grant funds in a cost-efficient manner and to meet applicable deadlines including specific information on staffing, status of procured demolition contractors and ability to procure and manage onsite work. Applicants may be asked for additional information and documentation. A direct demolition may be awarded in lieu of a local-level grant.

All recipients receiving a local-level grant **must** attend SLBA training on demolition project management. These will be held via conference call or potentially in local areas when multiple recipients are geographically close. Topics include identifying and handling environmental issues, hiring qualified contractors, how to verify state required licenses and notifications, and documentation needed.

Allowable Costs: No funds may be expended on project administration including project management. This applies to all projects, whether direct demolition by the SLBA or grant funds. All of the funds shall be spent on demolition-related activities including but not limited to title work, utility disconnect fees, demolition costs, permit fees, abatement of hazardous materials, air-monitoring at demolition sites, the replacement of damaged sidewalk and/or re-curbings at the street, and seeding. Only reasonable and necessary costs that are directly related to demolition and are supported by the solicitation of multiple bids are eligible. Funds may not be used for property acquisition, redevelopment, or soil/groundwater contamination remediation.

Reporting: Grantees will be required to provide written monthly progress reports to the State Land Bank detailing work completed by address, a detailed accounting of the project, project milestones and other relevant information.

Reallocation of Funds: Funding commitments will be revoked and the funds reallocated if the applicant fails to provide necessary information, fails to meet deadlines, fails to secure the necessary agreements and approvals within the established timeframes, or otherwise fails to cooperate with State partners in a manner sufficient to all for the satisfactory completion of the project. Remaining funds will be reallocated according to scores of unfunded proposals, or parts of proposals, submitted as part of this application process. Use of unlicensed or unqualified contractors will result in loss of funding commitment.

Contact Information:

State Land Bank Authority
PO Box 30766
Lansing, MI 48909
Main Phone: (517) 335-8212

Grant Managers:

- Linda Horak, Property Analyst, (517) 241-6741, horakl@michigan.gov
- Jeff Huntington, Property Manager, (517) 335-8430, huntingtonj@michigan.gov

APPLICATION REQUIREMENTS

Applications must be submitted in PDF format by e-mail to landbank@michigan.gov by 5:00 p.m. on March 13, 2020. Late applications will not be considered. Applications will be evaluated by the Michigan Land Bank. Decisions on selected projects are expected by April 3, 2020. Demolition work will begin as soon as possible during the 2020 construction season.

Site control for all properties submitted for demolition must be established in 45 days from preliminary award date. Failure to gain site control within this timeframe will result in the preliminary award being revoked and the funds reallocated. Site control means one of the following: 1) owned by applicant; 2) owned by local governmental entity and a written agreement has been executed allowing applicant to undertake the demolition activity; 3) there is a court order for demolition by the applicant; 4) a executed and notarized agreement with a private owner allowing applicant to undertake the demolition activity. If the owner is NOT the applicant or a governmental entity, the applicant must place a demolition lien on the property.

Unless otherwise approved in advance and in writing by the State Land Bank, demolition work must be completed and funds expended by September 30, 2020. Final reimbursement paperwork must be submitted by October 15, 2020.

The State Land Bank may approve a written request for an extension where the scope or complexity of the project supports the need for additional time or where other circumstances outside of the lead entity's control cause limited delays that will not jeopardize the success of the project.

Questions - Questions about the application may be e-mail to landbank@michigan.gov by March 6, 2020 at 5:00 pm. Answers to all questions will be posted on the State Land Bank's website (Michigan.gov/landbank) by 5:00 pm on March 9, 2020.

Application Format: A complete application must include all of the following information.

Applicants are encouraged to prepare a simple, easy to read application.

➤ **Applicant Information:**

- Applicant Name, Full Address, County
- Point of Contact Name, Title, Address, Phone, Email

➤ **Project Summary:**

- Provide a brief, but descriptive, narrative including a description of the project area and proposed demolitions.
- State whether the request is for direct demolition through the State Land Bank or a local-level grant.
- State the amount requested

➤ **Detailed Project Description:**

- Provide a property list of proposed demolition(s). Include a condition assessment of each property, ownership information and current photos demonstrating its current condition.
- Disclose any known environmental problems.
- Identify any property slated for demolition that is in an historic district or listed in the National Register of Historic Places and attach appropriate approvals for demolition.
- Provide a map of the project area.

- Land reuse: describe the plan for restoring the land after demolition and the planned post-demolition use of the land.

Meeting Project Criteria: Detail how your proposed demolition meets the following criteria.

- **Public Safety (10 possible points):** Explain how the project will promote public safety. For example, a project that targets demolition to eliminate unsafe structures near a school, hospital, business district, or core neighborhood institution increases public safety. Included additional information such as the condition of the property, any incidents of trespass or criminal activity at the site, etc.
- **Economic Development Opportunities (10 possible points):** Explain how the project will complement or enhance any existing economic development in or near the project area. An economic development opportunity may be any recent or current public or private investment project intended to have a positive economic effect within the community, such as downtown redevelopment. Include any details available about plan for redevelopment of the subject property or how existing or planned redevelopment on surrounding properties may be positively affected.
- **Local Support and Additional Investment (10 possible points):** Explain the degree of local government support, community engagement in the planning process and community support for the proposed demolition project. Describe any additional public or private investment including matching funds or other funding sources. Letters of support are highly suggested as a demonstration of this support.
- **Site Redevelopment Plans (5 points):** Demonstrate this property will become part of a brownfield plan in any, or all, of the following activities. It is SLBA's intent to encourage and assist local units in establishing their own local mechanism(s) to address blight removal/demolition using the Brownfield Redevelopment financing Act (Act 381 of 1996, as amended). Evidence to demonstrate each of these points shall be a letter from the BRA chairperson attesting/committing to these actions. SLBA staff is prepared to guide/assist any applicant in these matters.
 - The municipal or county Brownfield Redevelopment Authority has identified the site as eligible and either has approved the site in a brownfield plan OR commits to designating the site in a brownfield plan (+2).
 - The demolition/related activities proposed in the grant request shall be included within the current/proposed brownfield plan (+1).
 - The municipal/county BRA agrees they will capture taxes from the proposed/future project – through the brownfield plan – of the amount requested for demolition/related activities in the grant application (+1).
 - The municipal/county BRA agrees they will deposit the captured taxes into a fund for use on future demolition project(s) (+1).

Priority: Rural communities with population losses since 2000 will also receive a priority score of 1 to 5. Communities with population gain will be awarded zero points in this area. State Land Bank has already gathered the data on losses and **the applicant is not required to include any information in their application on population loss.**

Budget: Applicants for local-level and direct grants must provide a detailed project budget estimate and narrative including other funding sources, as applicable. Assistance is available prior to grant submission in helping the community understand the budget items for their property. Contact Linda Horak for assistance.

Projected timeframes: Estimated work start and finish dates, and other project timeframes.

Local-Level Grant Applicants Only:

- Identify the entity responsible for procuring contractors.
- Provide a copy of policies and procedures for procuring contractors, including required credentials and other selection criteria.