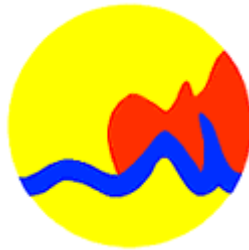


City of Grand Rapids
Downtown Development Authority
Areaway Fill Program

Program Guidelines

As approved by the Downtown Development Authority
May 12, 1999
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Areaway Fill Program

Grand Rapids Downtown Development Authority

A. Background and Purpose:

During the nineteenth and early twentieth century, it was common practice in Grand Rapids and other cities to extend the basement of a building beyond the façade of the building above, under the public sidewalk. These extended basements, commonly known as areaways or vaults, were often used for the receiving or storage of coal or other goods, as utility or mechanical space, or occasionally as an extension of the building itself. Many of these remain, but are no longer actively used.

Under the provision of the City Charter and the City Code, it is the responsibility of each property owner to properly maintain all sidewalks and areaways. Due to the age of these structures many are in need of repair or replacement. Failure to repair an areaway when necessary places the public in serious danger. The most practical solution to the deterioration of an areaway is to eliminate it by filling it.

The purpose of the Areaway Fill Program is to assist property owners in eliminating areaways within the DDA development area.

Program objectives include:

1. To improve the safety of downtown, by filling areaways that are in poor structural condition and by improving walking surfaces that have deteriorated.
2. To eliminate areaways wherever possible, and eliminate the uncertainty involved in future repair or filling expenses.
3. To improve the appearance of downtown, by installing streetscape amenities in conjunction with areaway filling projects.
4. To provide financial assistance to property owners responsible for maintenance or removal of areaways.
5. Generally, to encourage continued growth and expansion of business and residential activities, and to support the purposes of the Downtown Development Authority.

B. Assistance to be provided:

To meet the objectives of the Areaway Fill Program, the Downtown Development Authority (DDA) will provide a grant to those property owners eligible for assistance as established by the following program guidelines. The program operates as a matching grant program, with the DDA grant covering a portion of the cost of an areaway fill project. The property owner must agree to cover the remainder of the project cost. Highest priority will be for areaways being filled in conjunction with an overall streetscape improvement project.

C. Project Eligibility:

The program offer assistance to the owners of buildings within the DDA Development Area Boundaries as shown on Map 1. Although all buildings with areaways located within the Development Area are eligible for assistance, the DDA may upon the recommendation of the advisory board, establish a program target area. Structures within the target area would receive additional points in the project review process.

D. Eligible Expenses:

A property owner is legally responsible for all sidewalk maintenance including repair or removal of areaways. If a grant is approved by the DDA, the DDA would agree to reimburse a property owner a portion of the expenses involved in filling an areaway. Grant funds made available through the Areaway Fill Program may be used for the following purposes, which have been found to be consistent with the purpose of the program and with the law:

1. Removal of the areaway roof or cap.
2. Construction of a new basement wall
3. Fill
4. Installation of a new sidewalk
5. Installation of streetscape improvements, such as a decorative pavers or street trees.
6. Design and inspection fees, only if the areaway is filled.

The following expenses are not eligible: utility relocation, relocation of mechanical equipment, areaway rebuilding, areaway removal associated with building demolition projects. In some cases, the reconstruction of light-wells or stairs providing access to the lower level of a building may be eligible.

E. Available Funding:

The DDA has allocated approximately \$600,000 in grant funds, to be made available from 1999 through 2004 for the Areaway Fill Program. Assistance provided may not exceed:

- 35% of project cost, of
- \$350 per linear foot of areaway filled, or
- \$35,000 pre property, whichever is less.

F. Application Procedure:

Applicants may wish to discuss their project informally with the staff of the Grand Rapids Planning Department prior to completing a formal application. Applications will be received and reviewed by the program advisory board. The advisory board will meet periodically as necessary to review applications and forward recommendation to the DDA. The DDA has final authority to approve or deny funding of each application. A non-refundable application fee is requires with the application.

G. Program Advisory Board

A Building Reuse Incentives Program advisory Board is established to oversee the administration of the Areaway Fill Program. The advisory board consist of five members appointed by the DDA. The advisory board has the following responsibilities:

1. To develop and publish evaluation criteria to be used to evaluate applications for assistance. The proposed evaluation criteria and subsequent changes to them must be submitted to the DDA for review and approval.
2. To evaluate requests for assistance under the Areaway Fill Program, and forward recommendation to the DDA for final consideration.
3. To report periodically to the DDA and City Commission on the status of projects assisted through the program and to evaluate the effectiveness of the program.

H. Conditions for Financial Assistance:

The use of public funds made available through the Areaway Fill Program is limited to specific public purposes. Program funds must be available before grant fund commitments can be made. In order to ensure that the program achieves these purposes, applications are required to be meet the following minimum conditions:

General Conditions (Threshold Criteria):

1. Project must remove and fill and existing areaway located in the public right-of-way..
2. Project must be located in the DDA Development Area Boundaries.
3. Plans and specification for the project must be prepared by a licensed professional engineer or architect and submitted to the City Engineer for approval prior to construction..
4. Program funds must be used exclusively for eligible activities described in Section D, above.
5. Assistance request must not exceed:
 - 35% of project cost, of
 - \$350 per linear foot of areaway filled, or
 - \$35,000 pre property, whichever is less.

Administrative conditions:

1. The chain of title must show the property owner's legitimate ownership interest in the property. All outstanding mortgage loans, land contracts, deeds, etc. must be recorded with the Kent County Register of Deeds.
2. Financial assistance will not be permitted if taxes, special assessment, liens or other debts remain unpaid at the time of closing.

3. Decorative paving, street trees, or other streetscape improvements may be required to be installed, where such improvements are consistent with an overall improvement plan.
4. All work must be carried out in compliance with applicable building codes and the standards of the City Engineer.
5. An agreement in a form prepared by the DDA must be executed between the applicant and the DDA. Any offer of assistance will only be effective upon execution of the agreement by both the applicant and by the DDA.
6. Any expenses incurred prior to an application being received for review will not be eligible expenses under the program.

Distribution of funds: If an application is approved by the DDA, funds will be distributed in increments similar to construction draws. The application should outline the schedule for when “draws” of money would be needed based on the proposed budget of a project.

Initial seed money may be distributed based on acceptable collateral, matching funds, or other security from the applicant. Subsequent requests by the applicant for funding will be based on progress made and the release of waiver of any liens associated with work done to date. The applicant would be responsible to show adequate progress and matching equities prior to approval of draw requests.