



COMPREHENSIVE INCENTIVE & LOAN PROGRAM

I. PURPOSE

The purpose of this Incentive Program is to:

- Stimulate private investment and redevelopment.
- Increase taxable value within the TIFA district.
- Support local business growth and attraction.
- Enhance downtown aesthetics and functionality.
- Promote digital modernization and competitiveness.
- Aligning with the Reading TIFA Development Plan of 2022

II. PROGRAM STRUCTURE

The TIFA Incentive Program is composed of the following funding categories:

1. Façade Improvement Grant Program
2. Business Attraction & Expansion Grant
3. Digital POS & Marketing Grant
4. Property Redevelopment & Gap Financing Assistance
5. Placemaking/Event/Art Alley Partnership Incentive

Each program operates under unified rules with category-specific provisions.

III. GENERAL ELIGIBILITY REQUIREMENTS

Applicants must:

- Be located within the TIFA District
- Be a property owner or tenant with written owner consent.
- Be current on all taxes, utilities, and municipal obligations.
- Not having outstanding code violations
- Provide complete application with all required documentation.
- Demonstrate financial feasibility and project viability.

IV. INELIGIBLE USES

- Routine maintenance (unless part of approved façade program)
- Interior-only improvements (unless tied to economic impact)
- Reimbursement for work completed prior to approval.
- Residential-only properties (unless mixed-use with commercial impact)
- Projects inconsistent with Master Plan or TIFA Plan

V. FUNDING STRUCTURE

TIFA shall utilize the following disbursement methods:

A. Reimbursement-Based Funding

Funds disbursed after eligible costs have incurred and verified.

B. Milestone-Based Funding

Funds disbursed in phases tied to project progress milestones, as approved by TIFA.

C. Hybrid Funding

Combination of reimbursement and milestone payments, as approved by TIFA.

D. Loan or Gap Funding

Forgivable or repayable loans that align with Michigan TIFA requirements and protect the City/TIFA from risk.

A. Match Requirements

- Standard: **50/50 match**
- Strategic projects: up to **75% TIFA contribution**

B. Funding Caps

- | | |
|----------------------------------|--------------|
| 1. Façade Improvement | \$25,000 |
| 2. Business Attraction/Expansion | \$25,000 |
| 3. Digital POS/Marketing | \$10,000 |
| 4. Property Redevelopment | Case-by-case |
| 5. Placemaking / Alley | \$2,500 |

VI. APPLICATION PROCESS

Step 1: Pre-Application Meeting (Required)

- Meet with TIFA/City staff.
- Review: Project scope, Eligibility, Design requirements, and Funding availability

Step 2: Formal Application Submission

Applicants must submit:

- Completed application form.
- 3 Year Business Plan
- Detailed project description
- Itemized cost estimates
- Site photos
- Timeline
- Proof of ownership or lease
- Financial documentation (if applicable)
- Site plans/renderings (if applicable)

Step 3: Staff Review

- Completeness check
- Zoning and code compliance review
- Financial feasibility review
- Alignment with TIFA Plan

Step 4: TIFA Board Approval

- Presented at public meeting
- Board may: Approve, approve with conditions, table, or deny.

Step 5: Grant Agreement Execution

- Formal agreement required before work begins.
- Includes: Scope of work, funding amount, timeline, performance benchmarks, and clawback provisions

Step 6: Project Implementation

- Applicant proceeds and completes project.
- Subject to inspections and compliance checks

Step 7: Funding/Reimbursements

- Funding provided at milestones achieved or reimbursement of receipts.
- Funding appropriated by instructions of respective funding program approval.

VII. PROGRAM-SPECIFIC GUIDELINES

1. FAÇADE IMPROVEMENT PROGRAM

Eligible Improvements:

- Exterior restoration
- Windows, doors, storefronts
- Signage
- Lighting
- Masonry repair

Requirements:

- Must comply with historic overlay district standards.
- Historically appropriate materials
- Work visible from public right-of-way.

2. BUSINESS ATTRACTION & EXPANSION GRANT

Eligible Uses:

- Build-out costs.
- Building Marketability
- Equipment tied to operations
- Code compliance upgrades.

Priority Businesses:

- Restaurants
- Retail/Personal Services
- Experiential destinations

Requirements:

- Minimum operating commitment (3 years)
- Job creation preferred

3. DIGITAL POS & MARKETING GRANT

Eligible Uses:

- POS systems

- Online ordering platforms
- Website development
- Digital advertising
- Integration with delivery platforms

Requirements:

- Must implement: Online ordering capability and Digital payment processing.
- Partnership with the TIFA/Chamber marketing ecosystem

4. REDEVELOPMENT / GAP FINANCING

Eligible Uses:

- Structural rehabilitation
- Code compliance
- Environmental remediation

Requirements:

- Demonstrated financial gap.
- Pro-forma required

5. PLACEMAKING/EVENT/ART ALLEY PARTNERSHIP INCENTIVE

Eligible Uses:

- Parking improvements
- Utility extensions
- Streetscape enhancements
- Cost-sharing agreement
- Michigan Street Market
- Seasonal events
- Public art including Murals and Sculptures
- Alley activation elements

Requirements:

- Demonstrate public benefit.

VIII. PERFORMANCE & COMPLIANCE

A. Performance Requirements

- Completion within agreed timeline (typically 6–12 months)
- Maintain improvements for minimum 5 years.
- Meet all requirements of specified funding program.

B. Clawback Provisions

TIFA may require repayment if:

- Business closes within required period.
- Property sold without amendment to any agreement.
- Project deviates from approved scope.
- False or misleading information provided.
- Funding program requirements not fulfilled.

C. Monitoring

- Annual compliance checks
- Site inspections

IX. PRIORITY SCORING CRITERIA

Projects scored based on:

- Job creation
- Downtown impact/visibility
- Alignment with strategic goals
- Private investment leveraged
- Increase in taxable value.
- Contribution to placemaking

X. FUNDING PRIORITIZATION

TIFA reserves the right to prioritize:

- Anchor businesses
- High-impact redevelopment
- Downtown core projects
- Projects filling critical gaps.

XI. LEGAL & ADMINISTRATIVE PROVISIONS

- All awards subject to available funding
- TIFA retains full discretion; program may be modified at any time.

and must follow the Michigan TIFA Act (PA 57 of 2018), City ordinances, and procurement standards.

XII. KEY METRICS

Track annually:

Private investment leveraged, new businesses opened, jobs created, increase in taxable value, downtown occupancy rate, and event attendance.

XIII. MASTER CLAUSE

All incentive funds shall be expended only for activities authorized within the adopted TIFA Development Plan and for a public purpose as defined under PA 57 of 2018.

All loans shall be structured to support eligible development activities and shall include enforceable public benefit requirements including, but not limited to, increased taxable value, job creation, or public access improvements. Event-related expenditures shall be directly tied to economic development, district promotion, or increased commercial activity within the TIFA District. All incentive awards require TIFA Board approval.

Administrative staff may process reimbursements only for previously approved projects and within Board-authorized limits. Projects involving public improvements shall comply with applicable procurement requirements and competitive bidding laws where required.