

Downtown Residential Incentive Grant Program

Information & Grant Application



PURPOSE:

The purpose of the Downtown Residential Incentive Program is to encourage the creation of new residential units within Bozeman’s Downtown Tax Increment Finance District (Downtown TIF District). To this end, the Downtown Residential Incentive Program will provide partial reimbursement for residential-related impact fee for the creation of new downtown residential units.

The 2009 Downtown Improvement Plan emphasizes the need to increase residential density in Bozeman’s historic core.

“The site analysis of opportunity areas downtown identified potential accommodation of as many as 500 units over five to fifteen years, with a concentration in the “North Village” district, and in particular along Mendenhall. Numerous larger underutilized parcels in this area can be in-filled with primarily residential redevelopment. In addition to new development, there may also be opportunities to provide or renovate residential in the upper floors of buildings along Main.” [Downtown Improvement Plan page 18-19]

Downtown Residential Incentive Grant projects must support the goals of the Downtown Improvement Plan. Copies of the Downtown Improvement Plan are available from the Downtown Bozeman Partnership and at:

<http://www.downtownbozeman.org/downtown-improvement-plan.html>

Applicants are reminded that grant awards are discretionary in nature, subject to available funds and required approvals, and should not be considered an entitlement by the applicant. All grant criteria contained herein are guidelines for awards and successful applicants may receive any amount up to the maximum award. Should an application meet all grant criteria, a grant may or may not be awarded at the Committee’s discretion due to funding limitations, competing applications, and/or competing priorities of the Downtown TIF District.

AUTHORITY:

MCA Urban Renewal Law 7-15-4201 through 7-15-4293

7-15-4233. Powers which may be exercised by urban renewal agency or authorized department.

(1) In the event the local governing body makes such determination, such body may authorize the urban renewal agency or department or other officers of the municipality to exercise any of the following urban renewal project powers:

(e) to make and execute contracts as specified in [7-15-4251](#), [7-15-4254](#), [7-15-4255](#), [7-15-4281](#)

(n) to conduct appraisals, title searches, surveys, studies, and other preliminary plans and work necessary to prepare for the undertaking of urban renewal projects;

7-15-4255. Authority to provide or contract for services related to urban renewal.

(1) Every municipality shall have power to (a) provide or arrange or contract for the furnishing or repair by any person or agency, public or private, of services, privileges, works, streets, or roads in connection with an urban renewal project

ADMINISTRATION:

The Downtown Residential Incentive Grant Program will be administered by the Executive Director of the Downtown Bozeman Partnership located at 222 East Main Street, Suite 302, Bozeman MT 59715.

TIME FRAME:

Project applications will be taken until the current fiscal year’s funding has been allocated. The TIF Board will review applications on an as-needed basis. Applicants are advised that the application review process may take up to 30 days from the date of submission. The TIF Board will consider funding the program on an annual basis.

DEFINITIONS:

Allowable residential uses in the Downtown B3 District are defined in UDO Chapter 18.18.020:

18.80.150 APARTMENT

A habitable room or suite of two or more habitable rooms meeting the requirements of the City’s adopted International Building Code, located in an apartment building or used for residential purposes in nonresidential buildings located within nonresidential districts, as specified in this title. Efficiency units shall qualify as an apartment under this definition.

18.80.160 APARTMENT BUILDING

A building other than a hotel or motel containing five or more dwelling units.

Residential uses are not allowed on the ground floor in the “core area” of the downtown district. The “core area” extends along Main Street from Grand to Rouse and to the alleys one-half block north and south from Main Street.

ELIGIBILITY:

Projects seeking grant funding must meet the following criteria:

1. Projects must be located within the boundaries of the Downtown Bozeman Tax Increment District.
http://www.bozeman.net/Smarty/media/GIS_Media/maps/Downtown_Inventory_Map.pdf
2. The following types of residential projects are eligible for grant funding:
 - a. New construction of residential units
 - b. Conversion of existing non-residential space into residential units
3. A minimum investment of \$250,000 directly to the creation of at least four residential units is required to receive grant funds.
4. Maximum grant for any size project is \$25,000 per fiscal year.
5. Grant funds will provide partial reimbursement for the impact fees incurred due to the construction of residential units. The amount of grant funding will be calculated as a percentage of the residential-related net impact fees paid (less impact fee credits relating to existing uses and utilities). The grant amount will be for 50% of the residential impact fees incurred not to exceed \$25,000.
6. Residential units may be owner-occupied or offered for lease or sale.
7. Projects which receive any funding from local, state or federal sources where that funding is specifically designed to allow rents or sales prices to be offered at below market rates

are not eligible for the Downtown Residential Development Incentive Grant Program.

8. The residential unit(s) must comply with applicable building codes and ordinances as defined in the City of Bozeman Unified Development Code (UDC) in order to receive grant funds.

REVIEW PROCESS:

Applications will be reviewed and approved or denied by the Downtown TIF Board and Downtown Bozeman Partnership staff. Upon request, applicants will have an opportunity to present the project to the TIF Board and respond to any questions or concerns before a decision is made. Applications will be reviewed on a first come, first served basis for the duration of funding availability. In all cases, the decision of the Downtown TIF Board and staff is final. Applications that are denied for lack of available TIF funding may be re-submitted the following fiscal year.

All applicants will be apprised of the status of their application upon request. Award recipients will receive a Letter of Award and any conditions deemed necessary for receipt of the award.

RELEASE OF FUNDS:

Applicants will receive grant funding as a reimbursement upon completion of eligible work. In order to receive grant payment, the applicant must submit the provided Certificate of Completion, documentation of work completed, and a copy of the City of Bozeman Occupancy Permit. Specific documentation requirements are outlined in the Certificate of Completion. Release of funds is subject to submission of this documentation to the Downtown Bozeman Partnership by the award recipient. The project must be completed as originally presented in order to receive payment. At the discretion of the Downtown TIF Board, projects may be subject to invoice payment verification, submittal of lien waivers, and site inspection.

ENCUMBERANCE:

Applicants receiving funding under the Downtown Residential Incentive Grant Program during the course of a given fiscal year (July 1 through June 30) are eligible to carry forward encumbered, unexpended funds for a maximum of one additional fiscal year if an effort has been made to begin the project in the initial year; and/or when circumstances related to weather, construction season, etc. prohibit the completion of the project. Applicants must advise the Downtown Partnership by May 1 if they will be requesting a carry forward encumbrance.

MULTIPLE PROJECTS:

The Downtown Residential Incentive Grant Committee reserves the right to alter the timing or funding levels of multiple projects from one applicant.

DISCLAIMER:

Neither the Downtown Bozeman Partnership LLC, nor the Downtown TIF Board, nor its affiliates shall be responsible for the planning, design, or construction of improvements to property that is owned by the applicant. No warranties or guarantees are expressed or implied by the description of, application for, award of or participation in the Downtown Residential Incentive Grant Program. The applicant is advised to consult with the City of Bozeman, licensed architects, engineers, or building contractors before proceeding with final plans or construction.

DOWNTOWN RESIDENTIAL INCENTIVE GRANT PROGRAM APPLICATION

1. Project Location

Address of Property: _____

Assessor Parcel Number(s): _____

Name of Business(es) in Project: _____

2. Applicant Information

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____

Email: _____

Do you Own, Rent or Lease the subject Property? _____

3. Project Information

Proposed project (check all that apply)

- New construction of residential units
- Conversion of existing non-residential space to residential units

Current status of site (check all that apply)

- Existing building
- Parking lot
- Vacant lot

Status of existing building on site (if applicable)

- Occupied
- Partially or completely vacant

Proposed number of units and types

- ___ (qty) One bedroom unit(s)
- ___ (qty) Multiple bedroom unit(s)

Proposed market use

- ___ (qty) Unit(s) to be offered for sale
- ___ (qty) Unit(s) to be offered for rent
- ___ (qty) Unit(s) to be owner-occupied
- Mixed use project (please specify other uses)

4. Submittals

Applications **must** include the following documents and information to support this application for Downtown Residential Incentive Grant.

- a. **Photographs of project site and/or building**
- b. **Description of the project (one written page maximum)**
- c. **Proposed development plans including site plans, floor plans indicating square footage and layout, elevations as appropriate)**
- d. **Description of parking accommodations for residential units**
- e. **Financial analysis (project costs related to residential units to determine TIF's ROI)**
- f. **Estimated date of occupancy: _____**

5. Signatures

Property Owner(s):

Applicant(s):

(Print Name)

(Print Name)

(Signature)

(Signature)

The Downtown Bozeman Partnership reserves the right to request additional information from the applicant to determine grant eligibility. **Applicants are required to submit a complete application and all supporting materials per the instructions in this packet; the Committee will not review incomplete applications.**

APPROVAL (For Office Use Only)

Date Approved:

Date Letter of Award Sent:

Date Certificate of Completion:

Date of Payment Request: