LATHRUP VILLAGE
Downtown Development Authority

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To: Lathrup Village Downtown Development Authority

From: Tom Kennedy –Downtown Development Authority Project Coordinator

Date: November 20, 2026

RE: DDA Grant Programs Discussion

Purpose

The purpose of this memorandum is to provide an overview of the DDA's existing Sign and Façade Improvement Grant Programs and introduce an idea that has been discussed informally over the past month: the potential establishment of an Interior Commercial Improvement Grant Program. This memorandum is intended to facilitate preliminary Board discussion and gauge interest in further exploring the concept. No formal proposal or decision is being presented at this time.

Existing Commercial Improvement Grant Programs

The DDA currently maintains two grant programs intended to encourage private investment in the commercial district, improve the appearance of commercial properties, and support the continued revitalization of Lathrup Village's business corridors.

Sign Improvement Grant Program

The Sign Improvement Grant Program is intended to assist commercial property owners and businesses with the installation, replacement, or improvement of business signage. The program encourages investment in professional, attractive, and appropriately designed signage that contributes to the overall appearance and identity of the commercial district.

Façade Improvement Grant Program

The Façade Improvement Grant Program is intended to encourage improvements to the exterior appearance of commercial buildings. Eligible improvements may include exterior renovations, architectural enhancements, and other improvements that contribute to the visual character and attractiveness of commercial properties. The program prioritizes projects that produce meaningful and visible improvements to the commercial building stock.

Both programs utilize a reimbursement-based approach and are intended to encourage private investment through financial assistance provided by the DDA.

Potential Interior Commercial Improvement Grant Program

Over the past month, discussions have taken place regarding the potential expansion of the DDA's commercial improvement grant offerings to include an Interior Commercial Improvement Grant Program.

The concept would be to provide financial assistance to commercial property owners and/or businesses undertaking qualifying improvements to the interior of their commercial spaces. Whereas the existing Sign and Façade Improvement Programs primarily address the outward appearance of commercial properties, an interior program could support improvements that enhance the functionality, condition, and usability of commercial spaces.

Potential areas of consideration could include:

- Interior renovations and modernization of commercial spaces.
- Improvements to flooring, lighting, ceilings, and interior finishes.
- Plumbing, electrical, and HVAC improvements.
- Accessibility improvements and certain building-code-related upgrades.
- Interior improvements associated with business expansion or the occupancy of vacant commercial spaces.
- Improvements that address deferred maintenance or otherwise facilitate private investment in commercial properties.

The scope, eligibility requirements, funding structure, and reimbursement limitations of any potential program would require further consideration and development. These examples are intended solely to illustrate the general concept and do not represent proposed or approved program requirements.

Comparable Programs in Other Communities

Interior commercial improvement grants are an established economic-development tool used by municipalities and downtown development organizations elsewhere. Several communities have developed programs that support interior rehabilitation, tenant improvements, and commercial building reinvestment alongside more traditional façade programs.

- **Downtown Lansing, Michigan – Business & Property Improvement Grant**

Downtown Lansing Inc. operates a Business & Property Improvement Grant program intended to reduce commercial vacancies, rehabilitate older commercial buildings, and support businesses while improving the overall economic viability of downtown.

Its Interior Tenant Improvement component provides financial assistance for the rehabilitation and renovation of vacant or underutilized commercial properties. Eligible improvements include

building-code upgrades, fire and life-safety improvements, accessibility upgrades, mechanical, plumbing and electrical work, and other interior construction and rehabilitation expenses.

The program provides reimbursement assistance of 50% of eligible interior tenant improvement costs, up to $50,000.

Program information: Downtown Lansing – Business & Property Improvement Grant

- **Canton, Ohio – Interior Renovation Program**

The City of Canton operates a dedicated Interior Renovation Program designed to encourage business reinvestment and renovation. The program provides a 50% rebate on eligible interior renovation expenses, up to $24,999.

Eligible improvements include lighting, plumbing, HVAC, flooring, painting, drywall, accessibility improvements, interior demolition, expansion costs, permitting, and architectural or engineering services associated with interior renovations.

The program prioritizes comprehensive interior rehabilitation and permanent improvements rather than routine maintenance.

Program information: City of Canton – Interior Renovation Program

- **Toledo, Ohio – White Box Grant Program**

The City of Toledo operates a White Box Grant Program intended to prepare vacant ground-floor commercial spaces for occupancy by new businesses, particularly within historically significant commercial corridors.

The program reimburses 50% of eligible interior renovation and tenant build-out costs, or 75% for qualifying projects within designated Legacy Commercial Corridors, up to $75,000 per building annually.

Eligible improvements include building, fire, and accessibility code upgrades, as well as basic tenant build-out work necessary to make commercial spaces operational.

Program information: City of Toledo – White Box Grant Program

Considerations for Further Discussion

An interior improvement program could provide the DDA with an additional means of encouraging investment in commercial properties, particularly where improvements necessary to occupy, modernize, or expand a business are not addressed by the existing Sign and Façade Improvement Programs.

Such a program could potentially complement the DDA's broader economic development objectives by helping improve the overall condition and functionality of commercial spaces,

encouraging reinvestment in existing buildings, and supporting the occupancy of vacant or underutilized properties.

At the same time, establishing an additional grant program would require consideration of available DDA funding, administrative capacity, program objectives, eligible improvements, and the appropriate balance between public financial assistance and private investment.

Board Discussion

At this stage, staff is simply interested in determining whether there is Board interest in exploring the concept further.

Does the Board have an appetite for considering an Interior Commercial Improvement Grant Program alongside the existing Sign and Façade Improvement Grant Programs?

If there is general interest, staff could undertake additional research into comparable municipal and DDA programs, potential funding considerations, and possible program structures before bringing forward any formal recommendations for Board consideration.

No action or commitment is requested at this time beyond preliminary discussion and feedback from the Board.