


CITY COMMISSION POLICY

GRAND RAPIDS  MICHIGAN	NUMBER: 900-08	HISTORY	
		FILE #	DATE
	DATE: June 23, 1981	43127	3/13/84
	FILE NUMBER: 38831		
	DEPARTMENT: DEVELOPMENT DIV.		

SUBJECT: FEES FOR PREPARATION OF URBAN DEVELOPMENT ACTION GRANT (UDAG) APPLICATIONS

PURPOSE: To set a fee, to be paid by the developer, for the preparation by the City of an Urban Development Action Grant Application in order to defray the cost of application preparation.

POLICY:

The City of Grand Rapids will carry out the purpose of this policy as follows:

Fee for Preparation of Grant Application

The City of Grand Rapids shall charge a fee in the amount of 1% of the UDAG grant, provided, however, that the minimum fee shall be \$3,500. The fee shall be paid by the developer in installments as provided herein. The fee shall be estimated on the basis of the amount of UDAG assistance requested by the developer. In the event that the UDAG award is different than the amount requested, an adjustment in the fee shall be made. Any additional fee amount due to the City or rebate of fee due to the developer shall be paid at the time of execution of a development agreement between the City and the developer.

Fee Installments

At the time of submission of a Preapplication Packet and a formal request for UDAG assistance, the developer shall pay one-half of the estimated fee, or \$3,500, whichever is greater.

One week prior to the time at which the City Commission is to consider a resolution authorizing the filing of a UDAG Application to HUD, the developer shall pay the remainder of the estimated fee.

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Return of Fees Paid, Less Costs

The City shall return fee amounts paid by the developer, less the actual costs associated with the UDAG grant request under the following circumstances:

- (a) If prior to the execution of a Letter of Understanding with the City, the developer makes a written request to withdraw the request for assistance.
- (b) If HUD does not approve the application or fund the project, when the developer has provided complete documentation required by HUD and the City has otherwise fulfilled the commitments required by HUD UDAG Regulations and the Letter of Understanding.

Retention of Fee

The City shall retain the estimated fee paid by the developer if the application is rejected or the project is not funded because of a failure or omission by the developer to provide complete documentation or meet the commitments contained in the Letter of Understanding. The City shall also retain the estimated fee paid by the developer if the developer fails to execute a development agreement incorporating the conditions of the Letter of Understanding as reasonably modified by the conditions of the Grant Agreement between the City and HUD.