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## APPENDIX D: FREQUENTLY ASKED QUESTIONS

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### **What is the difference between a building and a facility?**

A facility is a complex of building, co-located at a single physical location within a Downtown Development District, all of which are necessary to facilitate the conduct of the same use. A facility typically represents a group of building under common ownership, management, and operations.

Common management and operations means that the group of buildings is designed to function as a unit. Examples of facilities: hotel with multiple buildings, multi-family rental development with several buildings, shopping malls, office buildings.

### **Is there a limit on how much funding a building or facility may receive?**

Yes. The DDD Grant is limited to \$1,000,000 per building or facility within a five-consecutive-year period starting with the year in which a grant is first awarded or reserved.

### **Who may qualify for a DDD Grant?**

Grants are available to virtually anyone who makes qualified real estate improvements in a DDD. This could include for-profit builders and investors, nonprofit organizations, businesses, and even homeowners. However, governments are not eligible for DDD Grants.

### **Are community centers an eligible use?**

Yes. However, buildings or structures used for government offices or purposes are not.

### **If liquor store is an ineligible use, does that include brew pubs, and wine and cheese shops?**

Businesses that sell alcohol are eligible as long as food is sold, and while alcohol can be sold by the bottle, it must also be available for purchase by glass.

### **Why is there a Reservation process?**

DSHA reached out to our partners and learned that certainty of grant funds is a major factor in whether investors will proceed in these hard-to-develop areas. As a result, DSHA created the Reservation process to give investors assurance they will be funded once their project is complete.

### **If the Qualified Real Property Investment (QRPI) increases from the time of reservation to the time of completion, which QRPI will be used as a basis for determining the grant amount?**

To ensure DSHA's ability to fulfill all awarded reservations, the QRPI at time of reservation will be used as the basis for determining the grant amount.

### **How does the program incentivize larger, "transformational" projects?**

During its outreach process in connection with this program, DSHA listened to stakeholders who stressed the importance of "transformational" projects in revitalizing communities. For that reason, all DDD Grant funds available, except for the Small Project Set-Aside discussed below, will be available for larger projects.

In addition, at the request of stakeholders, DSHA set the maximum DDD Grant award at \$1,000,000 (for projects having qualified real property investments of \$20,000,000 or more). Larger projects must first receive a Reservation in order to qualify for a DDD Grant.

### **How does the program ensure that small investors have fair access to DDD Grant funds?**

To ensure that homeowners, small businesses, non-profit organizations, and other small investors have fair access to DDD Grant funds, DSHA has created a \$1 million "Small Project Set-Aside." Eligible projects in this category include projects having a DDD Grant of no more than \$50,000.

In addition, DSHA has set up a simpler, streamlined process for small projects. Unlike larger investors, small project applicants do not need a Reservation to receive a grant.

### **How does the program ensure that smaller DDDs have fair access to DDD Grant funds?**

Two-thirds of the funds available for larger projects will be allocated based on each District's population. This "District Set-Aside" ensures that all DDDs have access to the funds as at least one large project from each DDD will be funded each year. Projects not funded through the District Set-Aside have a second opportunity to receive a Reservation through the "General Pool" (*i.e.*, the other third of the funds available for larger projects).

### **What if I am in a DDD that has more projects than funds available in the District Set-Aside?**

When developing the program, DSHA wanted to ensure that, in cases where there are more projects than funding available, the highest quality projects would receive a DDD Grant. This is done by giving projects priority consideration when they meet additional state and local community objectives. Among others, these include projects that: (1) have been identified as "priority projects" by the city; (2) create permanent jobs; (3) expand housing opportunities; and (4) protect historic resources.

It is important to note that these objectives are only considered when there are more projects than funding available. If there are sufficient funds to fund all projects in that particular District's Set-Aside then all projects will receive a Reservation. If there are not sufficient funds, then Projects will have a second opportunity to receive a Reservation through the General Pool.