



Downtown Development District Grant – Summary

Grants are available for up to 20 percent of Qualified Real Property Investments in excess of the Minimum Qualified Investment Threshold of \$25,000. The building or facility use must be commercial, industrial, residential, or mixed-use. Qualified Real Property Investments are capital costs, incurred after District designation, necessary for the rehabilitation or expansion of an existing structure, or new construction.

Small and Large Project Set-Asides

Small Project Set-Aside of \$1,000,000

Investors are eligible for this set-aside for total Qualified Real Property Investments less than \$250,000. Within 45 days of completion, Investor submits as part of the application:

- Placed in service documentation
- Confirmation of location and conformance with District Plan
- Type of District Investor – owner, tenant-owner consent, multiple owners, developer
- Proof of payment of Qualified Real Property Investments

DSHA distributes funds within 60 days of receipt.

Large Project Pool of \$5,650,000

Establishes a Reservation process based on each General Assembly appropriation to provide:

- Qualified District Investors assurance they will be funded once successfully completed.
- Each District reasonable access to District Grant funds.
- An opportunity to assess demand and make modifications to ensure program's success.

Applications for a Reservation are accepted once a year and include:

- Project description
- Type of District Investor – owner, tenant-owner consent, multiple owners, developer
- Confirmation of location and conformance with District Plan.
- Detailed budget with expected Qualified Real Property Investments clearly supported
- Proof of applicant readiness to initiate and complete the project within three years

Each District will have reasonable access to District Grant funds via a District Set Aside. Once each District Set Aside is met, projects will receive Reservations from the remaining pool of funds.

If Reservation requests **exceed** funding allocated, **then** requests that address one or more of the following priorities will receive special consideration:

<ul style="list-style-type: none"> • <i>Identified as a Key Priority Project in District Plan</i> • <i>Creates permanent jobs</i> • <i>Provides mixed-use development</i> • <i>Adaptively reuses existing structures</i> 	<ul style="list-style-type: none"> • <i>Expands housing opportunities</i> • <i>Protects historic resources</i> • <i>Promotes sustainable practices</i>
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Grant Fund Disbursement requests are due with 45 days of being placed in placed in service.

DSHA will conduct a compliance review of the final project requesting Grant Fund Disbursement. This on-site review will ensure the final project conforms to project scope outlined in the Reservation Agreement.

DSHA distributes funds within 60 days of receipt.



Eligible Expenses and Activities

Qualified Real Property Investments includes expenditures, incurred after District designation, that are properly chargeable to a capital account and are necessary for the rehabilitation or expansion of an existing structure, or new construction. Examples include:

- Exterior, interior, structural, mechanical or electrical improvements
- Excavations
- Grading and paving
- Installing driveways
- Landscaping or land improvements
- Demolition

Restrictions

The following types of projects and activities are not eligible for a District Grant:

- Adult bookstores, adult video shops, other adult entertainment facilities, check cashing facility, gambling facilities, liquor stores, massage parlors, pawn or gun shops, tanning salons, tattoo parlors.
- Soft Costs, including:

Appraisal, architectural, engineering, bids or interior design fees	Legal, accounting, realtor, sales, marketing or other professional fees	Permits, user fees, zoning fees, impact fees, inspection fees
Land or building acquisition	Loan fees, capitalized interest	Utility hookup or access fees
Well, septic or sewer systems	Machinery, tools or other equipment	Temporary facilities
Bonding, closing costs, insurance	Blinds or other window treatments	Furnishings
Outbuildings (if ancillary to function of the main building)	Signage, signs or roads	Rent loss

Investment Range

District Grants are calculated at 20 percent of the Qualified Real Property Investment in excess of the Minimum Qualified Investment Threshold up to \$500,000 per building or facility. District Grants in excess of \$500,000 will be determined according to the following investment ranges for a maximum of \$1,000,000.

Investment Range	Grant Amount	Investment Range	Grant Amount
\$2,525,000 - \$3,500,000	\$500,000	\$12,500,001 - \$13,500,000	\$785,000
\$3,500,501 - \$4,500,000	\$528,000	\$13,500,001 - \$14,500,000	\$814,000
\$4,500,001 - \$5,500,000	\$557,000	\$14,500,001 - \$15,500,000	\$843,000
\$5,500,001 - \$6,500,000	\$585,000	\$15,500,001 - \$16,500,000	\$871,000
\$6,500,001 - \$7,500,000	\$614,000	\$16,500,001 - \$17,500,000	\$900,000
\$7,500,001 - \$8,500,000	\$642,000	\$17,500,001 - \$18,500,000	\$928,000
\$8,500,001 - \$9,500,000	\$671,000	\$18,500,001 - \$19,500,000	\$957,000
\$9,500,001 - \$10,500,000	\$700,000	\$19,500,001 - \$20,000,000	\$986,000
\$10,500,001 - \$11,500,000	\$728,000	\$20,000,001 and over	\$1,000,000
\$11,500,001 - \$12,500,000	\$757,000		