



DDF Destination Creation Loan to Grant Program

OVERVIEW

The Destination Creation (“DC”) Loan to Grant provides 15% matching incentive up to \$100,000 for investment to create a winery, brewery, distillery, or destination restaurant in Downtown Denison through the Denison Development Foundation (“DDF”). DDF is a private, non-profit foundation and is pleased to offer this incentive for the buildout of the interior of a building or business. DC Loan to Grant funds cannot be used for exterior façade or alley access work, which may qualify for other grant funds.¹

The DC Loan to Grant is forgiven over a period of three years as the business maintains operations. There is an annual reduction by one-third (1/3) of the amount at which time (at the end of 3rd year) the loans will be completely converted to a grant and all formal commitments will be released.

This incentive includes most improvement/development costs for any interior buildout and may include labor, materials, fixtures, equipment, and furniture. It does not cover the following:

1. Real Estate Acquisition or Leasing
2. Working Capital
3. Inventory
4. Business Plan and Business Formation
5. Architectural Designs
6. Building Insurance
7. Utilities

If you are doing the work yourself, you must contact and meet with DDF staff to explain interior buildout costs, to determine standard rates/costs within the community, and to receive pre-approvals from DDF before work is commenced. Qualification of labor, materials, fixtures, equipment, furniture or other costs for the DC Loan to Grant is at the sole discretion of DDF.

The DC Loan to Grant funds are paid as a reimbursement after the City of Denison issues a Certificate of Occupancy for the destination. These funds should not be considered as initial sources of funds for project development. They should be considered timely investment reimbursement loans to replenish, restore, or buffer working capital balances as the business begins operations.

The primary focus of this DDF program is to facilitate creation of strong destination businesses in Historic Downtown Denison which will generate more consumer traffic downtown and

¹ Expenses for renovating the façade or sides of the building may be eligible for the Façade Grant offered through the Denison Development Alliance. Renovation expenses to improve business accessibility through alley doors may be eligible for the Denison Alley Access Grant Program through the DDF.

increase business activity for all downtown businesses. Many businesses have benefited from the DCG Loan to Grant incentive and we look forward to discussing the creation of your future destination!

GUIDELINES FOR APPLICATION

Application Process

- Communicate with Denison Development Foundation to discuss your project at 903-464-0883 or apply@denisontx.org.
- Submit your Organizational Formation documents (filed with the state, or D.B.A.)
- Submit your Business Plan, Marketing Plan, and Financial Projections with a 3-year pro forma and an itemized spreadsheet of proposed improvements and related costs (*see Exhibit A*)
- Submit any other supplemental information as needed or required by DDF

Note: An applicant in receipt of written notice by the City of Denison ("City") of outstanding code violation(s) or who is a party to pending litigation with the City is not eligible for a grant until those items are resolved; provided however, nothing herein shall be construed as to disqualify the applicant for filing notice(s) of appeal of evaluation issued by the Grayson Central Appraisal District on property owned by applicant and situated within the corporate limits of the City.

If any City violations occur and noticed in writing by the City during the development of the property (or any other property the applicant may own within the city), the City shall give notice in writing of such matter and order remediation of such violation(s). The applicant shall have 10 business days from the date of the written notice to correct the violation. Failure to remedy the noted violation within such period shall result in the grant awarded being cancelled and no further payments will be made under such grant.

Upon Approval

- Sign and return the Grant Agreement
- Sign and return the Indemnity Agreement
- Submit a current W-9
- Show proof of current membership with Denison Chamber of Commerce

Reimbursement Process

- Upon receipt of Certificate of Occupancy, send it to the DDA via email at info@denisontx.org or regular mail at 311 W. Woodard St., Denison, TX 75020.
- Submit a spreadsheet summary of all expenses requested to be reimbursed (*see Exhibit B*). Again, these costs should be for the interior buildout of the building only – not façade or alley access work.
 - The Spreadsheet should list all expenses in date order when each expense was paid.
 - The Spreadsheet may include as much detail as you wish, but as a minimum should include the following:
 - Category for expense (e.g. labor, flooring, glass, walls, finishing materials, etc.)

- Payee
 - Amount of expense
 - Date paid
 - Proof of payment (e.g. credit card, cash, check #, paid receipt, paid invoice, etc.)
 - Total amount of expenses
- Along with the spreadsheet, submit eligible expenses including, but not limited to, bills, invoices, and/or statements with their respective proofs of payment. Proofs of payment constitute paid receipts, cancelled checks, credit card bills with payment(s) highlighted, bill/invoice/statement marked paid from the vendor, etc. To be deemed an “eligible expense” the following must be clearly shown on these documents:
 - The name of the vendor
 - Item(s) purchased/service(s) provided
 - Amount(s) paid
 - Date(s) of payment
 - **PLEASE NOTE: Bills, invoices and statements with their proofs of payment (as defined above) must be submitted in the order in which they appear on the spreadsheet.**

TIPS:

- Many online invoices have a “View Invoice” feature that shows payment details. Print and submit this version. Attach other information you may have, if available.
- If there is absolutely no way proof of payment can be reproduced, an Affidavit can detail those expenditures. The Affidavit will be signed and filed with DDA.

~ Exhibit A ~

BUSINESS PLAN should include:

- Executive Summary
- Company Description
- Market Analysis
- Competitive Analysis
- Description of Management and Organization
- Breakdown of Products and Services

MARKETING PLAN

FINANCIAL PROJECTIONS should include:

- Capitalization Plan
- 3-Year Pro Forma
- Cost Projections (*See sample below; Submit on Excel Spreadsheet*)

Name of Business

Cost Projections

Projected opening date

NOTE: Items listed are just examples. Your items will be different.

CATEGORY / ITEM:	COST ESTIMATE:	NOTES
Demo		
Roof		
Ceiling		
Windows		
Foundation		
<i>Demo and Modifications Total:</i>		
Interior Finish Out		
Restrooms		
HVAC		
Flooring		
Framing		
Electrical Rough In		
Lighting		
Electrical Finish Out		
Plumbing / Sewer		
<i>Interior Finish Out Total:</i>		
Equipment		
(Itemize your needs)		
<i>Equipment Total:</i>		
Cost Projection Subtotal		
Contractor Mgmt. Fee / Overhead / Other		
Total Cost Projection:		

~ Exhibit B ~

Spreadsheet Summary (*preferably on an Excel spreadsheet*)

A listing of all eligible expenses may be as detailed as you wish, but as a minimum should include the following:

Category / Item:	Payee:	Proof of payment: Paid Invoice, Credit Card receipt, Paid receipt, etc.	Date Paid:	Amount:	Totals:
Labor – Floor Install	XYZ	Paid Invoice	11/1/2023	\$	\$
Flooring – Main Floor	LMN	Credit card receipt	11/2/2023	\$	\$
				Grand Total:	\$

REMINDER: Bills, invoices and statements with their proofs of payment must be submitted in the order in which they appear on the spreadsheet.