



DDF Destination Creation Loan to Grant Program

OVERVIEW

The Destination Creation (“DC”) Loan to Grant provides a 15% matching incentive up to \$100,000 for investment to create a winery, brewery, distillery, entertainment venue, 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.

Only one grant submission is available per business at each location. Additionally, the grant will be paid at one time in one payment and shall not extend over a period of months or be subject to

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.

multiple payments to the business until all possible grant funds have been expended. Once the business receives a Submission Date, expenses paid beyond the Submission Date are excluded from the grant.

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

GUIDELINES FOR APPLICATION

Pre-Application Process

- Communicate with Denison Development Foundation to discuss your project at 903-464-0883 or tbarney@denisontx.org.
- Submit your Organizational Formation documents (filed with the state and 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 for what DDF requires.
- If you are not the Owner of the building and you plan to perform the improvement and development to the building, you will need an assignment agreement from the Owner allowing you to receive the reimbursement funds if approved. Please communicate with DDF whether this situation applies before performing any work.
- Submit any other supplemental information as needed or required by DDF Board so it may determine whether the business qualifies for the DC Loan to Grant Program.

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.

Application Process After Business Deemed Qualified by DDF Board:

- Sign and return the Grant Application
- 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 After Improvement/Development Completion:

- Upon receipt of Certificate of Occupancy, send it by regular mail or drop off at the DDF Office located at 115 N. Rusk Ave., Denison, TX 75020 or via email at tbarne@denisontx.org.
- Then, submit a spreadsheet summary of all expenses requested to be reimbursed as outlined in 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
- **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.**
- When all necessary documents to process the grant have been received, then you will receive a Submission Date. If any expenses have been invoiced but not paid prior to your Submission Date, they will not be included in the grant. Only expenses that have been paid on or prior to the Submission Date are eligible for the grant.
- **PLEASE NOTE: IF THE SPREADSHEET IS NOT SUBMITTED AS OUTLINED IN EXHIBIT B AND DOES NOT HAVE THE ACCOMPANYING BILLS/INVOICES OR THEIR PROOFS OF PAYMENT, YOUR LOAN TO GRANT MAY BE DENIED.**

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 DDF.

~ 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.

DESTINATION CREATION LOAN TO GRANT APPLICATION

APPLICANT:

Business Name _____

Business Address _____

Contact Person, Title _____

Contact Email _____

Contact Phone _____

GRANT REQUEST:

I am applying for the Destination Creation Grant with the Denison Industrial Foundation, Inc., dba Denison Development Foundation ("DDF") which will provide a 15% matching grant (up to a maximum of \$100,000) that I might expend for qualified improvement/development costs for any interior buildout as outlined in the Grant Overview and Guidelines provided with this application at the Business Address above.

My total project cost estimate is \$_____.

SUPPORTING DOCUMENTS:

I understand that this grant application must also have the following completed documents attached before disbursements can be made:

- Organization Formation Documents, including any DBA (filed with the state and county)
- Business Plan, Marketing Plan and Financial Projection with a three-year pro-forma
- Signed Grant Agreement
- Signed Indemnity Agreement
- Proof of Chamber of Commerce Membership
- Signed W-9
- Certificate of Occupancy
- Assignment Agreement with Owner to Receive Funds (if applicable)
- Spreadsheet with accompanying bills/invoices and their proofs of payment as outlined in Exhibit B of the Grant Overview and Guidelines

AGREEMENT:

I understand that all applicable supporting documents must be submitted before the reimbursement funds shall be disbursed, unless waived by DDF Board. I understand and agree that the DC Loan to Grant funds are reimbursements for expenditures and are not upfront costs. I agree to submit bills/invoices and their proofs of payment that accurately reflect the amounts that have been expended to improve/develop the interior of the Business named above and at the location listed herein and that if I do not present them as requested in the Grant Overview and Guidelines accompanying this Application that the DC Loan to Grant may be denied even if the DDF Board deems the Business as a qualified business to receive DC Loan to Grant funds. I agree to indemnify DDF and hold DDF harmless from any claims, causes of action, lawsuits, cases and/or administrative proceedings that may arise from 1) my improvement and/or development of the Business for the duration of the DC Loan to Grant program, 2) for a denial of DC Loan to Grant funds if Grant Overview and Guidelines are not followed by the Business and documents are not provided as requested therein, 3) for disputes between Business and the property owner (if Business does not own the building) concerning the funds provided under the DC Loan To Grant program, and/or 4) for any other

disputes between any other person/entity and the Business named herein involving the DC Loan to Grant program in which DDF, its Board, Officers, President, and/or support staff may be named.

Signed: _____ **Date:** _____

Printed: _____

QUESTIONS? Call 903-464-0883

SUBMIT APPLICATION TO tbarney@denisontx.org or deliver to the Denison Development Alliance office located at 115 North Rusk Ave., Denison, TX 75020, with the required documentation.