

First State Community Loan Fund Corridor Revitalization Fund

Program Overview:

Now in its third funding round, the Corridor Revitalization Fund (CRF) will continue to serve as a catalyst for economic revitalization on the Market Street Corridor and surrounding areas.

Through the CRF, First State Community Loan Fund (CLF) will make available up to \$25,000 per applicant for eligible projects. Eligible applicants include small businesses, landlords and developers with properties located in the areas between 2nd Street to the 11th Street and King Street to Tatnall Street. Funding is intended for property and business owners seeking to better serve the City's new residential base, the workforce population, and add synergy to other recent Market Street and surrounding area investments. Funding can be used for:

- Site Acquisition/Business Expansion
- Construction/Renovation
- Working Capital
- Inventory
- Furniture
- Fixtures
- Existing business remodels

The funding will be structured in the form of a forgivable loan. A security agreement and/or mortgage will be filed on the borrower and/or property at loan closing, for a period not to exceed 3-years. As long as loan covenants and grant conditions are adhered to, there will be no payments due from the borrower during the term of the loan and at maturity, the loan will be forgiven.

As part of the application process, applicant must be able to establish a path to site control (e.g. property ownership, valid lease, or seriously engaged in a lease or purchase discussion regarding the subject property).

Applicants will be required to provide matching funds for any grant received through the program. The equity-match could come in the form of cash, equipment, furniture, debt or inventory. Qualifying equity-matches must have been made within 12-months of the application date. Total funding per borrower will not exceed 30% of the total project cost, with a maximum forgivable loan of \$25,000. In the event that there are multiple applications for a project (a landlord and a tenant application, for example), the aggregated grant award for any given applicant will not exceed \$25,000 (NOTE: If the property is separately demised for multiple individual tenants, separate applications from separate entities will be considered. Grant Recipients cannot receive more than \$25,000 in CRF funds in any given year. Affiliated artificial entities, which the CRF Committee reasonably determines to be under common majority ownership or effectively owned or controlled by the same party (ies), shall be considered a single Grant applicant. All applications for funding will be reviewed by the CRF Committee to assure compliance with program criteria and goals.

NOTE: Application seeking reimbursement for business or property improvement in the past 12 months must demonstrate all other program criteria in order to qualify for a grant.

The following types of projects and activities will not be eligible through CRF Fund, adult bookstores, adult video shops, other adult entertainment facilities, check cashing facilities, gambling facilities, liquor stores, bars whose primary source of revenue come from the sale of alcoholic beverages, pawn or gun shops, tanning salons, tattoo parlors. First State CLF reserves the right to exclude any business deemed to have a negative impact on the community.

By submitting their application, Applicants acknowledge the competitive nature of this grant opportunity and understand that First State CLF will make final awards based on the applicant's total score and the availability of funds.

Applications for the 3rd Round of CRF grants will be accepted beginning, **October 1, 2018**, and this funding round will close on **January 31, 2019**. Applications should be submitted electronically to Delores Lee, Office Manager – dlee@firststateloan.org. Awards announcements will be made by no later than **March 15, 2019**. No applications will be accepted after the closing round date.

There will be two information sessions to review program guidelines and the application process:

- **October 18, 2018 – 10:00 AM**
- **November 15, 2018 – 6:30 PM**
- **Location - Community Service Building, 100 W. 10th Street, Room 109 on Oct 18th and Room 105 on Nov 15th, Wilmington, DE 19801. Confirm your attendance at the information session by contacting Delores Lee at 302-652-6774, ext.110.**

Scoring Criteria

Business Planning

Overall Quality of the Plan – up to 10 Points

Comprehensiveness and coverage of all the relevant factors, demonstrating a firm grasp of the opportunity, market realities, and sound data to support assumptions. This is an opportunity to acknowledge a comprehensive understanding of the subject matter of the grant application “over and above the score achieved in the “subsections of the business plan listed below.

Points _____

Comments: _____

Marketing Plan - up to 10 Points

Demonstrated understanding of the Wilmington market and quality of plan. The following are examples of the key marketing areas you may want to consider factors such as:

- Demonstrated understanding of target market
- Competition
- Articulates Competitive Advantages/Value Proposition
- Marketing budget as a % of annual revenue

Points _____

Comments: _____

Operations Management/Experience – up to 10 Points

Points _____

This pertains to the level of planning and detail regarding:

- Company management structure
- Skill level and experience of management and staff
- Internal controls
- Design and Function

Comments: _____

Financial Planning and Projections – up to 10 Points

- Development - Demonstrated understanding of the costs associated with funding the construction and redevelopment costs of the project and funding sources.
- Operating - Demonstrated vision of realistic Revenue and Expense structures necessary to carry the debt service and operating costs of the proposed business.

Points - _____

Comments: _____

Plan to Access/attract a regional customer base in addition to providing for local goods and services - up to 5 Points

Points _____

Comments: _____

Plans to serve new resident population - up to 5 Points

Points _____

Comments: _____

At least 51% of the applicant's ownership is minority¹ or woman-owned. – up to 5 Points

Points _____

Comments: _____

Business Expansion or New Business – up to 5 Points

Points _____

Comments: _____

¹ Black or African American, Hispanic or Latino, American Indian or Alaskan Native, Asian, Native Hawaiian or Other Pacific Islander.

Façade and Signage Upgrades/Improvements – up to 5 Points

Demonstrated commitment to improving Market Street “curb appeal”; elevating the aesthetic and design standards on Market Street.

Points _____

Comments: _____

Leveraging: Use of Downtown Development District program or other economic incentives – up to 5 Points

Points _____

Comments: _____

Received funding or other support from a CDFI or SBA Resource Partner² – up to 5 points

Points _____

Comments: _____

² Women’s Business Center, Small Business Development Center or SCORE (Service Corp of Retired Executives)

SCORING SUMMARY

To be successfully considered for this grant opportunity, an applicant must achieve a minimum score of 50. The highest aggregated score will determine the outcomes. First State CLF will make final awards based on the applicant’s total score and the availability of funds.

Criteria	Score	Comments
Overall Quality of the Plan - up to 10 Points		
Marketing Plan – up to 10 Points		
Operations, Management & Experience – up to 10 points		
Financial Planning & Projections – up to 10 Points		
Plan to access/attract a <u>regional</u> customer base in addition to providing for local goods and services – up to 5 points		
Plans to serve new resident population – up to 5 points		
At least 51% of the applicant’s ownership is minority or woman-owned. – up to 5 Points		
Business Expansion or New Business – up to 5 Points		
Façade & Signage – up to 5 Points		
Leveraging: Use of DDD or other economic incentives – up to 5 Points		
Received funding or other support from a CDFI or SBA Resource Partner – up to 5 points		
Total Overall Score		