

City of Halstead

**Downtown Revitalization And Growth Of New Businesses Grant Program
(DRAGON Grant Program)**

Adopted by City Council on September 11, 2017

Updated by City Council on December 26, 2017

The City of Halstead (City) hereby establishes the Downtown Revitalization and Growth of New Businesses (DRAGON) Grant Program to support business development in the City of Halstead, KS. Funds for the program will be provided by the City for a period of five (5) years. At the completion of five years the City will conduct a review of the program and present the results to the City Council for approval to continue the program.

The purpose of the DRAGON program is to provide assistance to businesses through grants that will support improvements that result in stability or growth for existing businesses, help with the launch of new businesses downtown, or help combat blight in the downtown business district. The City recognizes the value of the businesses located in Halstead and the impact they have on the community. Grants under the DRAGON program will be provided to those projects that have the greatest value and preference will be given to currently operating or start-up businesses as well as projects that show personal financial investment from the applicant. Vacant and/or non-use downtown buildings **are** eligible for the program.

Applicant Eligibility

1. Existing or new business (*preference given*)
2. Property owner, lessor, or lessee of properties in the downtown zoned business or light industrial districts
3. Located within the City of Halstead city limits and in the downtown area
4. Business location must be primarily for business purposes only, not apartment/residential
5. Business must be current on all taxes and City utility services
6. Business will only be eligible for one grant every five (5) years, and will not be eligible for subsequent grants if noncompliant with grant terms or default on an awarded grant

Use of Grant Funds

- 1) Facility/façade improvement (includes sidewalk/streetscape)
- 2) Renovation/remodel costs
- 3) Acquisition of machinery and/or equipment
- 4) Acquisition of inventory for business
- 5) Business start-up costs (requires pre-approval from City)
- 6) Employee training (requires pre-approval from City)

Prohibited use of Grant Funds

- 1) Purchase of real estate or land
- 2) Paying off or refinancing debt
- 3) Working or reserve capital
- 4) Salaries or payroll expenses
- 5) Payment of any taxes or utilities
- 6) Demolition

Application Requirements/Process

1. Application must be submitted to City at least 30 days prior to start of project
2. City Administrator and City Clerk will assist applicant as needed
3. Applicant must provide evidence that all taxes are current
4. Applicant must provide details of the project and use of funds, including summary of total investment. Preference will be given to applications which show matching or concurrent funds being expended by the property owner or business.
5. Funded project must begin no more than 30 days from award of funds and must be completed within 90 days of award, unless prior extension approval is given by the City
6. Facility improvements must pass inspection by City inspector upon completion
7. Applicant must agree to participate in media coverage and promotion of the program

Award Process

1. Applications will be reviewed and evaluated by the City Administrator and City Clerk within 30 days of application
2. All grants will be presented in front of the City Council for approval
3. Award decisions are final and not eligible for appeal

Compliance

1. City Administrator and City Clerk will follow up with award recipient to ensure that funds are used for the defined purpose and that all program requirements are met
2. Recipient will provide all documentation required under the program, including receipts, invoices and financial documentation
3. All facility improvement and signage projects require inspection/approval by City Staff including City inspector
4. All proceeds from the DRAGON program must be used in the manner outlined on the application within the timeline specified
5. Business must remain in operation in the location specified in the application for a minimum of one (1) year from the date of the award
6. Any funds not spent as approved, in the time designated, will be repaid to the City within 30 days of ending project date
7. Any recipient who fails to meet these compliance requirements will be required to repay the grant amount in full to the City (approved applicants sign personal guarantees)

Funding

1. The City will provide \$25,000.00 per year for grants and operation of the DRAGON program
2. The minimum grant amount per recipient will be \$1,000.00
3. The maximum grant amount per recipient will be \$10,000.00
4. Total number of grants awarded per year will be determined based on availability of funds budgeted for the program and total number of eligible applications. Availability of grant funds are subject to change based on Council directives.

The City of Halstead Downtown Revitalization and Growth of New Businesses (DRAGON) Grant Program is available to all eligible business applicants regardless of race, age, gender, religious or sexual preference. Awards will be based on the value of the investment to the business and the City, the ability of the applicant to move forward with the proposed project in a timely manner, the ability of the applicant to repay the funds to the City in the event of noncompliance and the availability of funds.

City of Halstead DRAGON Grant Program Application

Business name: _____
Address: _____ City: _____ State: _____ Zip: _____
Website: _____
Ownership: Private _____ Public _____
Business Structure (Proprietorship, Partnership, Corporation): _____
Year business was established: _____
Amount of grant funds requested: _____

1. Why are grant funds necessary for the project to succeed financially?

2. Describe the activity to be undertaken, the facility's use, and product or service produced.

3. Classification of business

4. Schedule: Start Date _____ Completion Date _____

5. Does/will the applicant own or lease the project's property?
If leased, indicate the landlord/owner

If leased, indicate the lease term

6. Current workforce: Full-time _____ Part-time _____ Seasonal _____

7. Has the business previously received an incentive from the City of Halstead?

8. Does the business meet all building qualifications and eligibility guidelines?

9. How much money/assets/time will be personally invested in the business or approved project in addition to the grant amount awarded?

10. Is the business current on all taxes and city utilities?

Sign and Date _____

Approved or declined _____ CC Meeting Approve/Decline _____

Halstead Downtown Revitalization and Growth of New Businesses (DRAGON) Grant Program

PERSONAL GUARANTEE

The undersigned is an applicant with the Halstead Downton Revitalization and Growth of New Business (DRAGON) Grant Program with the City of Halstead for a business located at _____, Halstead, Kansas and located within the City of Halstead.

As an inducement to for the City of Halstead to accept the Applicant’s application for the DRAGON Grant Program, the undersigned hereby agrees to be personally responsible for re-payment of any grant monies awarded by the City of Halstead to the Applicant should the Applicant fail to live up to the compliance terms established by the City of Halstead’s DRAGON Grant Program.

A photographic or facsimile copy of this Personal Guarantee Form shall be as valid as the original.

EXECUTION SECTION

This guarantee is executed on this _____ day of _____, 20____.

Name: _____ Signature: _____

SS#: _____

Street Address: _____

City, State, Zip: _____

Phone: _____ Email: _____

NOTARY SECTION

State of _____ County of _____

This instrument was acknowledged before me on _____, by

_____.

Signature – Notary Public

(SEAL)

My Appointment Expires: _____