

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

Updated by City Council on December 28, 2020

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 consideration to continue the program in subsequent budget years.

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 or code issues 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. **Downtown buildings that are vacant or are currently not-in-use are eligible for the program except for buildings primarily used for storage purposes.**

Section I. Applicant Eligibility

1. Existing or new business (***new businesses require business plan submission***)
2. Property owner, lessor, or lessee of properties in the downtown zoned business or light industrial districts (***see attached Exhibit "A" map of eligible area***)
3. Located within the City of Halstead city limits and generally in the downtown area
4. Business location must be primarily for business purposes or store front only, not apartment/residential or storage units
5. Business must be current on all state, county, and local taxes and City utility services (***applicant will be asked to provide proof***)
6. Business will only be eligible for one grant every two (2) years, and will not be eligible for subsequent grants if noncompliant with grant terms or default on an awarded grant

Section II. Use of Grant Funds (*in order of preference*)

1. Improvements to the façade, awning, glass/windows, frontage, sidewalk, or streetscape
2. Improvements or repairs that would correct code or structural issues with the property
3. Interior renovation/remodel costs
4. Acquisition of machinery and/or equipment (***requires pre-approval from City***)
5. Business start-up costs (***requires pre-approval from City, and business plan***)

Section III. Prohibited use of Grant Funds

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

Section IV. Application Requirements/Process

(Assistance from City staff on application will be given as needed)

1. Application must be submitted to the City and will be reviewed and evaluated by the City Manager and/or other City staff within 30 days of application. Applications will be evaluated as they are received by City Staff. Applicants may be contacted for additional or missing application information as needed. Incomplete applications will not be forwarded to the City Council for consideration. ***(Pages 4-6 are actual application)***
2. Applications will be pending until the next available review date for DRAGON grant awards by the City Council as outlined in Section V.
3. Applications that provide estimates of the scope of work or documentation that project is ready to be started in a timely manner *shall* be given preference.
4. Applicant must provide details of the project and specific use of grant funds. Preference *shall* be given to applications which show matching or concurrent funds being expended or leveraged by the property owner or business for the project.
5. Applicant must provide evidence that all taxes and utilities are current for business or property ***(includes Sales Tax)***.
6. Applicant must agree to participate in media coverage, marketing, and promotion of the program, including potential signage, and provide or allow City staff to take before and after photos of the project for documentation.

Section V. Award Process

1. Initial grant awards for the current budget year will be awarded during the first regular City Council meeting in March of that fiscal year. If money remains in the program budget following that meeting, grants may be awarded as applications are approved by the City Council on a case-by-case basis for the remainder of the year.
2. All grants will be presented in front of the City Council for approval by majority vote, award decisions are final and not eligible for appeal.
3. Applicants receiving awards must be able to provide a W-9 form in order to receive funds and sign a personal and performance guarantee for awarded funds.
4. Building permits must be pulled for all applicable work and all contractors must be registered contractors with the City of Halstead. Applicants may perform the work themselves if they are also registered contractors with the City. Any applicable work must be done to current city code and be inspected by the city's building inspector. ***(city will waive the building permit fees but not the applicable inspection fees)***
5. Project must begin no more than 60 days from award of funds and must be completed within 120 days of award, unless prior extension is approved by the City Manager.

Section VI. Compliance

1. City Manager or their designee will follow up with award recipients 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 bids/quotes, receipts, invoices and financial documentation of completion.
3. All facility improvement and signage projects require inspection/approval by City.
4. All proceeds from the DRAGON program must be used in the manner outlined on the application within the timeline specified.
5. Existing businesses must remain in operation in the location specified in the application for a minimum of one (1) year from the date of the award or in the case of new businesses must be open within 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.
7. Any recipient who fails to meet these compliance requirements will be required to repay the grant amount in full to the City within six (6) months of notification of non-compliance.

Section VII. Funding

1. The City will budget for \$40,000.00 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 changes based on City Council directives or decisions and any budgetary constraints of the City.

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.

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5. Estimated Work Schedule: Start Date for work: _____

Completion Date: _____

6. Current number of employees of business: Full-time _____ Part-time _____

Seasonal _____ Volunteer _____

7. Has the business previously received an incentive or DRAGON Grant from the City of Halstead?
If so, please provide details or list the year.

8. Does the business meet all qualifications and eligibility guidelines? ____ Yes ____ No

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

10. Is the business current on all taxes and city utilities? Can you provide a tax clearance certificate?

Sign: _____ Date: _____

Below area For City of Halstead Staff Use:

Application complete? ____ Yes ____ No

Supporting documentation provided? ____ Yes ____ No

Preliminary review of compliance with program: ____ Satisfactory ____ Unsatisfactory

Meets criteria for consideration by the City Council: ____ Yes ____ No

CC Meeting date for Consideration: _____ Approved _____ Declined _____

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

PERSONAL AND PERFORMANCE 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 limits of 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 or if the project fails to be completed by the indicated completion date.

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: _____

Personal 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: _____