



APPLICATION FOR BUILDING IMPROVEMENT GRANT

GRANT APPLICATION INCLUDING ATTACHMENTS MUST BE COMPLETED AND RETURNED TO:

The Office of Economic and Workforce Development (OEWD) located at
 302 East Pettigrew Street, Suite 190, Durham, North Carolina 27701

Applications will be accepted by in-person or mail only and will not be accepted by fax or email

Note: Prior to applying for these funds, applicants must check with the City-County Planning Department to ensure the location for their proposed project is zoned appropriately.

SECTION 1:

PROJECT LOCATION	ATTACHMENTS
<p>Proposed projects must be within the Downtown Development Tier (including Parrish Street), within the Community Development Area (CDA) outside the Downtown Development Tier, including targeted corridors or within targeted areas in the Urban Growth Area (UGA).</p> <p><i>Note: To determine whether a project is within an eligible geographic location, use the mapping tool located on the Financial Services page of the OEWD website or, see "Durham Community Development Area, Targeted CDA Corridors, the Downtown Development Tier and the Parrish Street Project Area" Map and maps depicting targeted areas of UGA on the OEWD website under the Financial Services tab.</i></p>	<ul style="list-style-type: none"> • Attach project area map showing location and PIN number of the parcel on which the project is located. Visit http://www.ustaxdata.com/nc/durham/durhamtaxsearch.cfm to determine PIN <p>GIS Map showing property location is attached</p>
BUSINESS REQUIREMENTS	ATTACHMENTS
<p>Business entity that owns the building at time of application and directly creates capital investment improvements on an existing building having vacant spaces for the purpose of improving and/or upgrading the interior and exterior, to make the first floor more rentable or "retail/restaurant-ready."</p> <ul style="list-style-type: none"> • Eligible improvements include but are not limited to window replacement, installation of walls, painting, installation of support mechanisms, installation of sound systems, HVAC, electrical systems, plumbing, stairs, demolition, flooring, grease traps and sprinkler systems. 	<ul style="list-style-type: none"> • Attach source(s) of financing beyond potential public funds, to include documented letters of financial commitment from investors or banks. <p>See attached financial documents and business plan</p> <ul style="list-style-type: none"> • Attach Development plan for applicant including sources and uses document, balance sheet and operating budget. See Appendix A on page 7 for greater explanation about financial information to include. <p>See attached financial documents and business plan</p> <ul style="list-style-type: none"> • Attach current Durham Business Privilege License. License is not required at the time of application, but will be required if awarded funding. <p>Real Estate Development Companies are Exempt from Durham Business Privilege License Requirements</p>



<p>The project must be private, non-residential within the following parameters:</p> <ul style="list-style-type: none"> • If the project is within the Community Development Area outside the Downtown Development Tier, the minimum total project capital investment must be at least \$187,500 • If the project is within the Downtown Development Tier, the minimum total project capital investment must be at least \$225,000 • If the project is within a Targeted Portion of the Urban Growth Area, the minimum total project capital investment must be at least \$300,000 <p>The Building Improvement Grant maximum award will be \$75,000.00.</p> <p>Note: Only funds spent on work performed after City approval of the grant are eligible to be reimbursed. Funds will be disbursed by cost reimbursement upon completion of project and submission of appropriate documentation proving compliance with relevant compliance guidelines.</p>	<ul style="list-style-type: none"> • Attach a statement of support by the Partners Against Crime (PAC) community organization in the area saying that your project is of the type desired by the neighborhood (Optional). Statement is not required at the time of application, but will be required if awarded funding. <p>To contact your local PAC visit http://www.durhampolice.com/pac/</p> <p>The Developer has asked to be on the agenda for the December 9th PAC5 meeting</p>
<p>PROGRAM ELIGIBILITY</p>	<p>ATTACHMENTS</p>
<p>The eligibility for public incentive payment and the amount of payment would be based upon the likelihood of success of the project and the need for public funds; as determined by a competitive scoring process based upon submitted proposals.</p>	<ul style="list-style-type: none"> • Attach quote from contractor or architect for total cost of project with design drawings <p>Contractor budget, architectural, and structural drawings are attached</p>
<p>TIMELINES/DISBURSEMENT OF FUNDS</p>	
<p>Projects would need to start within 9 months of City approval and be completed no later than 12 months after City approval.</p>	
<p>FUNDING GUIDELINES</p>	
<ul style="list-style-type: none"> • OEWD will review select evaluation criteria including viability of project and need for public funds. Funding requests of \$50,000 or greater will be subject to City Council approval. All efforts will be made to evaluate and determine funding requests less than \$50,000 within 45 days of the submission deadline. 	



SECTION 2

The following sections of the application are to be completed by the **APPLICANT**.
 Complete within the form, as the space will expand as more information is added.

APPLICANT INFORMATION

Applicant Name	David Scarborough and Scott Harmon	Street Address	339 W Main Street, Ste A
		Mailing address	Same
Name of Business that Owns Property	Parrish Street Venture, a joint venture between Green Branch Development, LLC and Re:Vamp Durham, LLC	City /State/Zip	Durham NC 27701
Contact Person	Scott Harmon		
Title	Manager	Phone Ext	919-949-3863
Email Address	scott@centerstudioarchitecture.com	Company website	www.106wParrish.com
Fax	866-918-7770	Alt Phone	919-688-2700
# of years in business	This venture is 2 years old. Developers have been in business for over 5 years.		
Tax Status of Business (check all that apply)	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Corporation (Designation) <input checked="" type="checkbox"/> Partnership	Legal Status of Business:	<input checked="" type="checkbox"/> For Profit <input type="checkbox"/> Not-for-profit (Designation) <input type="checkbox"/> Other _____
How long has the applicant owned the property?	Since February 9, 2009	Is the property currently vacant?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Level of experience applicant or development partner has developing comparable projects successfully	Both owners have experience in real estate investing, real estate development, design, and project management. Both owners have particular experience with renovating historic buildings in downtown Durham. A more complete narrative of the development team's experience is listed in the attached Business Plan.		
Has a tenant or lease agreement been secured by the building owner	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> N		



SECTION 3			
FINANCIAL NEED			
Provide the total project capital investment (must be private, non-residential capital investment of at least \$187,500)	\$469,298 (this is the allocation of renovation costs to the COMMERCIAL portion of the building only)		
Amount of public funds requested	\$75,000	Amount financed by applicant	\$394,298
Statement explaining need for public funds	The structure is in significant disrepair, having been vacant for over a decade. The needed renovation costs exceed the value of the property based on current market rental rates.		
Provide a financial analysis that supports the viability of the project, including details explaining how the project will be funded completely (i.e. bank loan, private equity, city incentive, etc.)	Upon paying off the note being held by the previous owner, the developers will own the existing property free-and-clear. The existing building will then comprise the owners' equity for the renovation, supplemented by a construction loan. See attached business plan, development budget and operating statement for details.		

SECTION 4	
OVERVIEW OF PROJECT	
Physical address of proposed project	102 791 0821-12-97-4425
Is the property located on a public transportation route? To view routes, visit http://data.durhamnc.gov and select Schedules & Maps on the menu	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
http://www.durhamnc.gov/	



		departments/planning/pdf/hist_resources_map.pdf	
Do you have a statement of support for the project from the local Partners Against Crime (PAC) Committee? To contact your local PAC visit http://www.durhampolice.com/pac/	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – statement will be provided prior to award of Grant. The project will be considered at the December 9 th PAC meeting.		
Estimated start date and completion date if grant is awarded	Start Date: March 31, 2011 Completion Date: September 30, 2011		

SECTION 5 (Limit response to 500 words)	
PROJECT DETAILS	
1. Provide a brief description of the project, intended use of the development, square footage	Total net usable square footage is 6,456, on three floors. Upper floor will be residential use, and bottom two floors (63% of the total usable area) will be commercial use.
2. Is proposed project consistent with relevant design plans approved by City Council? If so please explain. Plans are Updated Downtown Durham Master Plan (Dec. 11, 2007), City Center Retail Strategy, RKG Neighborhood Assessment and Plan. To review plans visit http://www.ci.durham.nc.us/departments/eed/publications.cfm	Renovations are consistent with the Downtown Durham Historic District Preservation Plan, the Downtown Durham Master Plan, and the Downtown Durham City Center Retail Strategy.
3. Describe sustainable measures which will be utilized in considering the environment during construction/deconstruction	Existing historic fabric will be reused to the greatest extent possible. Roof insulation will be spray polyurethane foam, providing an exceptional air and temperature barrier. Accommodations will be made for solar water heating and PV power generation as part of the residential upfit.
4. Describe any of the following items that may be provided (in kind only): Enhancement to parks, plazas, greenways, parking, street activity or accommodations for pedestrian amenities such as bike racks, transit shelters, etc.	Building occupies the entire property, and as such, no opportunity exists for open space enhancements. A bicycle rack will be provided to match the new bicycle racks in downtown.



City of Durham Office of Economic and Workforce Development
 Application for Economic Development Incentives
 Building Improvement Grant

I certify to the City of Durham that ALL of the information contained in this application is true and correct to the best of my knowledge. I agree to supplement this application with such additional information as may be requested in order to provide the most accurate and complete picture of my company and the timing of the project for which I am seeking incentive funding. I acknowledge the requested incentives constitute a bonafide inducement for my company to undertake this project, without which inducements my company would be less likely to pursue this project.

David Scarborough for Green Branch Development, LLC

Manager

Print Name

Title

David Scarborough
 Signature

11/12/10
 Date

Scott Harmon for Re:Vamp Durham, LLC

Manager

Print Name

Title

Scott Harmon
 Signature

11/12/10
 Date

FOR INTERNAL USE ONLY			
Project Location	<input checked="" type="checkbox"/> Downtown and/or Parrish Street Project Area	OR	<input type="checkbox"/> In Targeted Section of Urban Growth Area <input type="checkbox"/> In Targeted CDA Corridor
Date Application Received:	11/12/2010	Date Application Complete:	
Reviewed By:		Date:	
Approved By:		Date:	

Appendix A

The Building Improvement Grant Business Plan should be at least three pages describing points 1 thru 6 below:

- 1. Outline company goals and the company's purpose, define its mission and explain what it intended use for the building.**
- 2. Provide information regarding the company's proposed structure as well as the qualifications and backgrounds of its key people.**
3. Provide a comprehensive narrative statement that sets out the management plan they intend to follow and illustrates how their plan will serve to accomplish the work. Strongest consideration will be given to those proposals that can demonstrate how the intended project will remove blight, rehabilitate vacant and/or boarded buildings and stimulate the creation of new retail business development and job creation.
4. Elaborate on your project's financial position including detail on total expenses and revenues. Include annual rents, vacancy rates, and net cash flow for at least 1 year or longer if available.
- 5. Briefly discuss obstacles and risks to the business plainly in this section, and add potential strategies on how to overcome them.**
- 6. Narrative description of the proposed development, including potential tenants/users, type of development, square footage of development, and target markets to be approached**

A Finance Plan lists the estimated cost of the actual startup and how those costs are going to be met. Your finance plan should also provide an estimation of the income and cash flow for the company for at least one year preferably three years. See explanation of components of a finance plan described below in greater detail.

The Balance Sheet

The balance sheet is generated solely on an annual basis for the business and is, more or less, a summary of all the preceding financial information broken down into three areas, Assets Liabilities and Equity.

Cash Flow/ Operating Statement

It shows a schedule of the money coming into the business and expenses that need to be paid. The result is the profit or loss at the end of the month or year. It is a strong indicator to indicate if you will need additional cash in order to meet expenses. Provide detailed yearly cash flow projections for at least 1 year, 3 years are preferable.

Development/Capital Budget

Development/Capital budget needs to take into account all the expenses required to renovate the building. Clearly state the capital needed to start the business or to expand. It should detail how the capital will be used, and the equity, if any, that will be provided for funding. If a bank loan is required please submit a firm conditional commitment outlining the terms and conditions, signed by the bank and you, as well as an estimated detailed development project schedule with a project timeline.