



## Enterprise Grant Application

### **Program Purpose and Benefits**

The City of West Fargo (city) targeted development program provides the use of public funds to leverage private investment for interior and exterior improvements to commercial properties located within the city. The program applies to all commercial property that is located within the targeted redevelopment area downtown. Targeted redevelopment area is defined as a property located in the downtown overlay district (see map attached). The program is intended to encourage property owners and business tenants of properties to undergo projects which are transformational with respect to use (which must be consistent with the vision of the West Fargo 2.0 comprehensive plan) or lifespan of the building not just maintenance of the property (This is not a building maintenance contract).

### **Program Goals**

- Beautify the area by improving exterior building facades
- Enhance commercial growth
- Encourage redevelopment and reinvestment
- Increase community pride in the adjacent neighborhoods
- Add significant physical improvements to the aesthetics of the property
- Create unique and distinct places
- Coordinate implementation efforts
- Attract businesses that compliment revitalization of an area through employment, unique offerings, and complementary businesses to the West Fargo 2.0 Comprehensive Vision

### **Project Eligibility**

The program is offered through and administered by the City of West Fargo Economic Development office. Interested parties may apply for a grant not to exceed \$75,000. To qualify for the entire \$75,000 the applicant must have at least \$150,000.00 of qualifying expenses that are approved by the West Fargo Economic Development Advisory Committee (EDAC) and City Commission. Projects will be considered on a prorated basis, the grant is eligible for up to 50% of the qualified expenses. Additional Renaissance Zone incentives may be applicable if other capital/structural improvements are made to the property. Eligibility requirements include:

- Payment of all taxes and/or assessments must be current
- Property must be zoned commercial and operate as such
- Applicant must make a financial commitment to the project
- Projects must be transformational in appearance, use, or lifespan of the building.
- Improvements must comply with all City zoning and building code requirements and Sheyenne St/Main Ave recommendations.



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### **Eligible Improvements**

As a part of the grant application, applicants shall provide professionally rendered drawings and estimates from licensed contractors or vendors of work and equipment required for the project. The EDAC will review bids and drawings and send an expense eligibility recommendation to the city commission for final consideration. Only expenses relating to capital improvements to buildings and essential equipment will be considered.

### **The following lists contains costs NOT eligible for assistance**

- Building permits and fees
- Title reports and fees
- Extermination of insects, rodents or other pests
- Private sidewalk replacement or repair
- Acquisition of land or buildings
- Refinancing of existing debt
- Building security systems
- General repair/maintenance work not contributing to the overall interior or exterior impact of the building
- Improvements not listed as eligible or ineligible are subject to review by the city, EDAC and city commission.
- Operating capital

### **Funding**

The city's assistance may not exceed 50% of the total project costs up to a maximum of \$150,000 for each qualifying project, whichever is less. Payments will be made at the completion of a project validated by invoices from licensed contractors and vendors. If a recipient remains in business (as described in the Business Incentive agreement) and within good standing with the City for at least 5 years from the date of opening the balance will be written off up to a maximum of \$75,000. If an approved project defaults on the Business Incentive Agreement the recipient will be required to repay the entire grant or a prorated amount at the City Commission's discretion. Projects with a total cost of less than \$10,000 will not be considered.

### **Process**

Interested applicants shall submit an application to the economic development office. City staff will review the project to ensure program compliance. If the project complies, it will be sent to a subcommittee (financial review committee) of the EDAC which make a recommendation to the full EDAC for review. The applicant is encouraged to attend the full EDAC meeting where the project will be reviewed and considered. City staff will notify applicant as to the progress, time and date of the EDAC meeting. If the project is approved by the EDAC, it will be sent to the city commission for consideration of the final approval. An applicant must have final approval from the city commission to start incurring eligible expenses. Any expenses incurred before final approval will



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not be considered eligible. If denied at any level, city staff will notify the applicant as to the reasoning and give the applicant the opportunity to amend their application for reconsideration and further review.

Application items to be included are as follows:

- a) Completed application form
- b) Property address and/or complete legal description
- c) Proof of ownership/draft lease.
- d) Site plan with elevations
- e) Photos, drawings, site plans
- f) Bids and cost estimates
- g) Landscaping plan, signage plan

### ADDITIONAL INFORMATION AND EXHIBITS TO APPLICATION

Business plan Including:

- A. History of business
- B. Marketing analysis and strategy
- C. Description of products and process
- D. Financial projections
- E. Three years of financial projections and pro-forma financial statements
- F. Business organization documents
- G. Articles of incorporation and by-laws or partnership agreement
- H. Certification of good standing from State of North Dakota

**ALL SECTIONS REQUIRED IN PAGES 7-10 MUST BE COMPLETED OR SEPRATE ATTACHMENTS COVERING REQUIRED SECTIONS MUST BE INCLUDED WITH A COMPLETED APPLICATION. THE EDAC AND CITY COMMISSION RESERVE THE RIGHT TO REQUEST ANY ADDITIONAL INFORMATION AT ANY TIME DURING THE APPLICATION PROCESS THAT MAY BE PERTINANT TO THE APPLICATION BUT NOT COVERED BY THIS FORM.**



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### Project Award

Following the review and approval by the city commission, the applicant may obtain any required building permits. The applicant should not start any improvements or demolition unless written authorization is given by the City's Economic Development Department. Any work performed or materials purchased prior to final approval by the city commission will NOT be eligible for the grant.

Construction must be completed within 10 months or as otherwise approved by the city commission. Modifications to the approved final plans which produce visible differences or if a different occupant other than the approved application and design will require review and approval of city staff. Failure to do so will invalidate the project and result in the project being terminated and NOT eligible for grant assistance.

Once construction is complete, the applicant will notify the City's Economic Development Department and schedule a final walk-through. Discrepancies between the approved plan and actual construction will be noted in writing and a time frame for correction will be determined.

Grant assistance is limited to two projects per fiscal year for each parcel and a maximum of two projects in any multi-tenant building. Applications cannot be submitted for properties or multi-tenant units which received grant assistance within two years. Funding allocations by the city for any given fiscal year and will be funded on a first applied, first approved basis, until funds are depleted or City Commission changes process. The city, in its sole and exclusive discretion, reserves the right to cancel the program at any time, prior to grant approval, without notice, if sufficient funds for the program are not available.

### Payment

In the event of a default payments are due 30 Days after official notice from the city. If a payment is more than 30 days late applicant will be charged 3% of the amount of payment or \$800 whichever is less for each 30 days late.

Applicant will be considered in default if upon review of the commission any of the following events occur:

- **Insolvency or bankruptcy:** The death, dissolution or insolvency of appointment of a receiver by or on behalf of the business or applicant; application of any debtor relief law, the assignment of the benefit of creditors by or on behalf of; the voluntary or involuntary termination of existence by; or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization compensation or debtor relief law by or against applicant or any co-signer, endorser, surety or guarantor of this note or any other obligations applicant may have.
- **Business Termination:** Applicant merges, dissolves, reorganizes, and terminates business existence or a partner or majority owner dies or is declared legally incompetent.



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- **New Organization:** Without city's written consent, applicant reorganizes, merges into or consolidates with an entity; acquires all or substantially all of the assets of another business; materially changes the legal structure, management, ownership, or financial condition; or affects or enters into a domestication, conversion or interest exchange.
- **Failure to Perform:** Applicant fails to perform any condition or to keep any promise or covenant of this agreement.
- **Other Agreements:** -Applicant is in default on any other debt or agreement with city.
- **Misrepresentation:** Applicant makes any verbal or written statement(s) or provides any financial information that is untrue or inaccurate, or conceals a material fact at the time it is made or provided.
- **Judgment:** Applicant fails to satisfy or appeal any judgment against city.
- **Forfeiture:** The property is used in a manner or for purpose that threatens confiscation by a legal authority.
- **Name Change:** Applicant changes name or assumes an additional name without notifying city before making such a change.
- **Property Value:** City determines in good faith that the value of applicant's property has declined, is impaired, or in a gross state of disrepair.
- **Material Change:** Without first notifying city, there is a material change in applicant's business, including ownership, management and financial conditions.
- **Due on Sale or Encumbrance:** City may, at its option, declare the entire balance of this note to be immediately due and payable upon the creation of or contract for the creation of, any lien, encumbrance, or transfer of sale of, all or any part of the property. If applicant is in default under this agreement, applicant may not sell the inventory portion of the property even in the ordinary course of business.

\*Should the business be sold, the incentive may be assumed by the buyer, provided they meet all of the requirements and agree to terms of the Note.

\* Upon review by the city commission, at the commission's discretion an applicant may be given up to 60 days to become compliant with the terms of the agreement.

**Waivers and Consent:** To the extent not prohibited by law, applicant waives protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.

### Release of funds

Execution of this application and supporting documentation (Pages1-) you are indicating that you are personally responsible and liable for the terms of the Grant and applicant understands the terms to be binding of both parties. The conditions of the Grant are subject to the West Fargo Enterprise Grant specifications and the application packet you have provided and have been approved by the City.

Grant funding will be awarded upon a **post completion** basis only. Applicants must provide verification of all project costs including copies of all paid invoices before funds can be disbursed.

### Applicant Signature:

Signature of Applicant: \_\_\_\_\_

Date: \_\_\_\_\_



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## PRIMARY CONTACT INFORMATION FOR THIS APPLICATION

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-Mail: \_\_\_\_\_

Applicant Name: \_\_\_\_\_

**(Name of person/entity to RECEIVE grant)**

Property Owner: \_\_\_\_\_

Property Address: \_\_\_\_\_

Architect/Firm: \_\_\_\_\_

(If applicable)

## DESCRIPTION OF PROPERTY

Current tenant(s):  Commercial \_\_\_\_\_

Building History (If available): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Total Qualifying Expenses \$ \_\_\_\_\_ Total Loan from City \$ \_\_\_\_\_

Potential Grant Portion of Loan \$ \_\_\_\_\_

Is the renovation part of a larger project?  Yes  No, the renovation is the only work I am doing.

If yes, please describe comprehensive Project: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



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Summary of Existing Condition: (Please attach Pictures – **Attachment 1**)

Summary of Proposed Scope of Work: (Materials, color schemes, etc.) Please attach colorized drawings that include pre- and post- rehab detail, indicating specifically what will be modified and how (**Attachment 2**). Bids or official estimates from licensed commercial contractors or other providers of needed services and materials are required. (**Attachment 3**)

Estimated completion date:

City Vision: How will proposed project help city reach the vision downtown as described in the West Fargo 2.0 Comprehensive plan and downtown framework study?

How will your project complement downtown redevelopment efforts? What is the nature of the business? What are the growth plans if any over the next 5 years?



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Employment: What is the anticipated employment and total compensation including benefits?

List any other incentives received by the city or state (program not eligible with the PILOT program).

Business plan including:

- A. History of business
- B. Marketing analysis and strategy
- C. Description of products and process
- D. Financial projections
- E. Three years of financial projections and pro-forma financial statements
- F. Business organization documents
- G. Articles of incorporation and by-laws or partnership agreement
- H. Certification of good standing from State of North Dakota
- I. Information on a lead lender if applicable







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**Attachment 1:** Photos (current & historic if available)



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### Attachment 2: DRAWINGS PRE & POST



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### Attachment 3: BIDS & COSTS ESTIMATES