

Mission: Interior Matching Grant Application

What is Mission: Interior?

Mission: Interior's purpose is to assist in making critical interior capital repairs to retail spaces and, as a result, improve the success of the downtown retail business community overall. Mission: Interior offers up to \$5,000 in matching grants for interior improvements to eligible retail businesses as a part of a competitive application process. For the 2022 grant round, a total of \$20,000 in grant funding is available. Applications are due by **Noon on Monday, April 18, 2022**. Building and/or business owners can apply for up to 50 percent of the cost of their improvement project. Applications which provide greater than a 50% match are more competitive. The maximum grant request is \$5,000. The minimum grant request is \$500. ***Work completed prior to a letter of commitment is not eligible for funding.***

Mission: Interior is administered by the Downtown Frederick Partnership Business Development Committee. The Business Development Committee is composed of Downtown Frederick business owners, real estate professionals, economic developers and others who work to support our existing businesses and recruit new businesses to Downtown Frederick. Mission: Interior is funded by the State of Maryland's Community Legacy Program through a grant secured by the City of Frederick.

Who can apply for funding?

Mission: Interior is focused on improving retail spaces. Locations that house either retailers or restaurants are eligible for funding. Either building owners or store owners with approval from the property owner can apply for funding.

Businesses housed in a building actively for sale are not eligible for funding. Certain businesses are not eligible for this grant source including automotive businesses, banks, convenience stores, discount retailers (does not include resale), dry cleaners, phone service retailers, offices and fast food restaurants. According to the State of Maryland's requirements for funding, the Partnership cannot provide assistance to certain uses/businesses including pawn shops, gun shops, tanning salons, massage parlors, adult video/book shops, adult entertainment facilities, check cashing facilities, gambling facilities, tattoo parlors and liquor stores. The State also prohibits the use of funds for residential properties.

The project must be located within the Partnership's boundaries. The primary focus of the project area is Market Street between South and Ninth Streets, Patrick Street between Bentz and Wisner Streets and Everedy Square/Shab Row. Additional locations on commercially oriented downtown blocks will be considered. Contact the Partnership at 301.698.8118 to learn if your property is eligible.

A grant under this program for the same physical space may be awarded no more than once every three fiscal years, unless a compelling justification is established and approved by the Business Development Committee.

What types of improvements are eligible for funding?

The program is intended to fund improvements that are affixed to the property and therefore will not cover the cost of purchasing or installing non-fixed equipment or inventory. The State of Maryland requires that grant funds only be used for capital improvements.

Eligible improvement projects include, but are not limited to, the following list of repairs/replacements/upgrades:

- | | |
|-------------------------|-----------------------|
| ✓ Barrier-Free Access | ✓ Interior demolition |
| ✓ Dry wall/Plaster | ✓ Lighting |
| ✓ Electrical | ✓ Painting |
| ✓ Flooring/Floor repair | ✓ Plumbing |

How does the application process work?

1. Applicants submit a completed application form by **Noon on Monday, April 18, 2022**. In order for the application to be considered complete, the applicant must submit:
 - a. Two color photos showing at least two different views of the existing building interior
 - b. One color photo showing the building exterior (include the full height of the building from sidewalk to rooftop)
 - c. Detailed sketches or drawings of the proposed improvements (as needed to show the proposed work)
 - d. If the applicant is seeking a project grant of \$3,000 or more (a total project cost of \$6,000 or more), two bids for each component of the proposed work on contractor letterhead must be submitted (one contractor may be able to complete the entire project). For projects seeking less than \$3,000 in grant funding (a total project cost less than \$6,000), only one bid is required. If desired, ask the Partnership for a list of contractors provided by the Frederick County Building Industry Association.
 - e. According to State regulations, costs associated with detailed construction drawings, conceptual design, renderings and cost estimates are not eligible for reimbursement. All construction-related permit fees required for the improvements are ineligible costs.
 - f. Incomplete applications will not eligible for funding.
2. The Partnership's Business Development Committee will review the completed applications received by the deadline and rank them by the criteria listed below. The applications will be funded beginning with the highest ranked application first until the \$20,000 in available funds is completely expended. If the applications received by April 18, 2022 total less than \$20,000, the Partnership may hold a second application round later in the year. The Partnership reserves the right to not fund an application even if grant dollars remain available.
3. The Partnership will notify applicants of the Business Development Committee's decisions.
4. The Partnership will forward the applications selected for funding to the Maryland Historic Trust (MHT) as required by the State of Maryland. MHT has 30 days to review the project.
5. The Partnership will issue a letter of commitment when MHT approval is granted. The letter will include the specific amount granted and any conditions of approval.

The amount of the grant award is set out in the letter of commitment and will not be changed after project initiation. **Work completed prior to a letter of commitment is not eligible for funding.**

What criteria will be used to rank the projects?

The Partnership's Business Development Committee is looking for applications with:

- Longer lease periods
- Longer business tenure in Downtown Frederick
- Greater than a 50% match
- Projects that expand the services offered by the business
- Geographic diversity (located throughout Downtown Frederick)
- Projects that improve and/or restore a historic feature (for example, painting tin ceilings)

Both longer business tenure and projects that expand the services offered by the business are key criteria in the overall ranking. As a result, a business with shorter tenure and a project that has a significant impact on service expansion may rank higher than a longer tenure business with a project that has a lesser impact on service expansion.

What happens after a project is selected for funding?

Projects selected for a matching grant must be completed within six months of award. This six month time period will begin after the acquisition of any necessary approvals and/or permits. Project applicants have a total of 60 days to complete any City approval processes. Depending on the scope of the project, extensions may be requested. Except for extenuating circumstances, an applicant may forfeit their grant by not completing the project within the above stated time frame.

The applicant is responsible for obtaining all building permits and any other required City approvals for the work to be done. The applicant is responsible for conformance with all applicable safety standards and conditions. The applicant also agrees to maintain the property and the improvements.

Downtown Frederick Partnership may promote an approved project including, but not limited to, displaying Partnership signage at the site, during and after construction and using photographs and descriptions of the project in the Partnership's materials.

How do I get reimbursed for my project?

Grant funds are issued on a reimbursement basis and cannot be issued until the project has been completed. Before a check is cut, applicants will need to submit final invoices as well as proof of payment for completed work (canceled checks or credit card statements) and a Businesses Development Committee member or the Partnership staff must review the completed project to determine that the work performed is consistent with the work approved. Once the work is approved, the Partnership will process a reimbursement check within 30 days.

What other incentives might be available for my business?

Projects receiving Mission: Interior grants also may be eligible for other local and state financing programs and tax credits. An overview of potential programs is included on the next page:

Tax Credits

- **[Historic Preservation Property Tax Credit](#)** – Tax paying property owners may apply to the City of Frederick for a tax credit equal to 25 percent of the properly documented expenditures related to the exterior restoration of a structure in the Historic Preservation Overlay (HPO) zone.
- **[Small Commercial Tax Credit](#)** - The Maryland Historical Trust offers a small commercial tax credit for rehabilitation projects under \$500,000. The income tax credit is equal to 20% of qualified rehabilitation expenditures.
- **[High Performance Building Tax Credit \(City\)](#)** - In order to encourage the construction of energy efficient and sustainable building, the City of Frederick provides a High Performance Building Tax Credit for LEED certified (or equivalent) buildings. For additional information and to apply for the credit, contact the City [Planning Department](#) at [301.600.1499](tel:301.600.1499).

Finance Programs

- **[Neighborhood BusinessWorks Program](#)** - The Maryland Department of Housing and Community Development (DHCD) provides gap financing to new and expanding small businesses and non-profit organizations. Loan amounts up to \$500,000 or 50% of total project cost, whichever is less.
- **[Downtown Frederick Façade Improvement Program](#)** – The Partnership, with support from the City of Frederick and the State of MD, offer a program where eligible businesses may receive a 1:1 match on qualified exterior improvements. To learn more, contact the Partnership at 301.698.8118.
- **[Downtown Frederick Fire Suppression Incentive Program](#)** – The Partnership, with support from the City of Frederick and the State of MD, offers up to \$25,000 in matching funds to assist with the installation of sprinklers in qualified buildings. To learn more, contact the Partnership at 301.698.8118.
- **[City of Frederick GROW Program](#)** - Designed to encourage and financially-support physical improvements by targeted businesses to commercial buildings within The City of Frederick. The competitive program supports critical building improvements that will convey with the property and improve the functionality of the property for both current and future business tenants/owners. Benefits: Program participants may receive up to a 50:50 matching investment up to a maximum of \$10,000 per project.
- **[Video Lottery Terminal Fund](#)** - The state's Video Lottery Terminal (VLT) fund uses proceeds from video lottery terminals (slots) to assist small, minority, and women owned businesses. At least 50% of the VLT allocations will be deployed to small, minority and women-owned businesses located within certain targeted areas of the six casinos. The other 50% will be available to small, minority and women-owned businesses located throughout Maryland.

For additional information on available tax credits and finance programs, visit the City's [Incentives](#) page or contact the Department of Economic Development at [301.600.6363](tel:301.600.6363) or rkaler@cityoffrederickmd.gov.



Downtown Frederick Mission: Interior

Name of Applicant:

Name of Business:

Project/Business Address:

Phone Number:

Fax Number:

Email Address:

Type of Business:

Date Business Opened in Downtown Frederick:

Lease Commencement Date:

Lease Expiration Date:

Year purchased Building:

Property owner's name (if different from above):

Property owner's address:

Property owner's phone number:

Estimated Total Cost of Improvements:

Requested Grant Amount:

Cash Match Amount:

In-Kind Match Amount: *(not required)*

Estimated Date of Completion:

Note: If you are not the property owner, please have the property owner or an authorized representative co-sign this application where indicated in the General Conditions.

Please briefly describe the proposed project.

What is the impact of the proposed project on your business?

What is the impact of the proposed project on Downtown Frederick?

Submittal Requirements

- Completed and Signed Application Form
- Completed and Signed General Conditions Form
- Copy of Executed Lease
- Two color photographs of the existing conditions of the building interior
- One color photograph of the building exterior
- Detailed sketches/drawings/etc of the proposed improvements (include placement, color, dimensions and materials)
- One/Two bids for each project component on contractor letterhead (one contractor may bid on the entire project)

Signature of applicant _____ Date: _____



Downtown Frederick Mission: Interior

General Conditions

It is expressly understood and agreed that the applicant is not an agent, employee or subcontractor of Downtown Frederick Partnership, Inc.

It is expressly understood and agreed that the applicant shall be solely responsible for all safety conditions and compliance with all safety regulations, building codes, building permits, HPC requirements, ordinances, and other applicable regulations.

It is expressly understood and agreed that work completed prior to the receipt of a letter of commitment is ineligible for funding.

It is expressly understood and agreed that the applicant will not seek to hold Downtown Frederick Partnership, Inc. and/or its agents, employees, officers and/or directors liable for any property damage, personal injury, or other loss relating in any way to the Mission: Interior.

The applicant shall be responsible for maintaining valid and sufficient insurance coverage for property damage and personal injury relating to Mission: Interior.

The applicant agrees to maintain the property and improvements, including, but not limited to, promptly removing graffiti, sweeping and shoveling in front of the property.

The applicant agrees to return a pro-rated amount of the grant money received if the improvement is removed within two years.

The applicant authorizes Downtown Frederick Partnership, Inc. to promote an approved project, including, but not limited to, displaying Partnership signage at the site, during and after construction, and using photographs and descriptions of the project in Partnership materials and press releases.

Signature of the applicant: _____ Date: _____

If the applicant is not the property owner, please have the property owner or an authorized representative review and co-sign the application below.

As owner of the property at _____ I have reviewed the above application and authorize operator of _____ at said address to perform the interior improvements described above as part of the Downtown Frederick Partnership, Inc. Mission: Interior.

Signature of property owner
or authorized representative: _____ Date: _____