

**Office of the Deputy Mayor for Planning and Economic Development
Great Streets Initiative**



greatstreets.dc.gov

**Application for
Great Streets Small Business Capital Improvement Grants**

***Application Deadline:
Monday, February 17th, 2014
4:00pm***

*Grant is administered by:
LATOYIA HAMPTON
(202) 724-7648 Phone
(202) 724-9006 Fax
LaToyia.Hampton@dc.gov
1100 4th Street SW, Suite E500
Washington, D.C. 20024*

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Purpose of the Program

The purpose of the Great Streets Small Business Capital Improvement Grants (the “Program”) is to support existing small businesses, attract new small businesses, increase the District’s tax base, and create new jobs for District residents.

Eligible Applicants

There are two (2) types of eligible applicants as follows:

- 1) Owners of small retail or service-oriented businesses (preference will be given to businesses with less than 20 locations in the United States), or
- 2) Real estate developers that have secured one or more small retail or service-oriented businesses as tenants and propose to improve a property for these tenants

The following types of businesses are ***ineligible*** to receive funding under the Program:

- Nightclubs
- Bars
- Phone stores
- Non-profit and government entities

Eligible applicants must provide proof of all of the following to be considered for a grant award under the Program:

- 1) Be located within the targeted Great Streets corridors. Prospective applicants can verify their location eligibility by reviewing the targeted Great Streets corridors’ boundaries at greatstreets.dc.gov. ***Applicants located on H Street, NE should use the Application for H Street, NE Small Business Capital Improvement Grants.***
- 2) Be a registered business in Good Standing with the DC Department of Consumer and Regulatory Affairs (DCRA), the DC Office of Tax and Revenue (OTR), the DC Department of Employment Services (DOES), and the federal Internal Revenue Service (IRS).
- 3) Possess site control of the property on which the business is located through one of the following:
 - a) Ownership by deed
 - b) Property control by execution of contract of sale to purchase the property
 - c) Property control by execution of an option to purchase the property

- d) Execution as lessee of lease with an unexpired term of at least two (2) years
- 4) Possess property and liability insurance (an insurance quote is permitted for new businesses) compliant with requirements set forth in this application.

Award Information/Amount of Available Funding

DMPED will be awarding grants of up to a maximum of \$85,000 each, authorized pursuant to the Economic Development Special Account Revival Amendment Act of 2012, effective September 20, 2012 (D.C. Law 19-168; D.C. Official Code §2-1225.21), and also pursuant to the Great Streets Neighborhood Retail Priority Area Congressional Review Emergency Amendment Act of 2013, effective October 17, 2013 (D.C. Act 20-204; D.C. Official Code Section 2-1217.71 *et seq.*), and any subsequent permanent law.

Eligible Funding Uses

All requests to utilize Program funds are subject to approval by the Office of the Deputy Mayor for Planning and Economic Development (“DMPED”). Grant funds will be used to **reimburse** awardees for expenses that they have incurred through improving their place of business by:

- 1) Build-out of new improvements
- 2) Renovations of existing improvements
- 3) Façade improvements
- 4) Equipment upgrades

DMPED will consider reimbursing awardees for purchase of equipment (“Equipment upgrades”) that is permanently attached to the real property. Pieces of equipment that are not fixtures but are deemed vital to the success of the business will also be considered for funding.

Grant funds may ***not*** be used to reimburse any of the following expenses:

- Financing of existing debt
- Invoices incurred prior to execution of the awardee’s grant agreement
- Merchandise
- Product inventory
- Rent
- Payroll
- Day-to-day operational costs (e.g. utilities, taxes, maintenance, refuse, etc.)

- Moving expenses
- Business consulting expenses

Application Process

Applicants are **required to submit their application online** by visiting greatstreets.dc.gov. The deadline to submit the application is **Monday, February 17th, 2014 at 4:00pm EST**. All completed applications will be reviewed by an application review panel and will be approved by the Deputy Mayor for Planning and Economic Development prior to the actual award of any Program funds. Upon approval, each awardee will be required to execute a grant agreement with DMPED and begin the capital improvements project within **thirty (30) days** of grant agreement execution. Projects that do not commence within the allotted thirty days will be reevaluated, and awarded funds may be reallocated. Awardees are required to complete funded renovations within **one (1) year** of executing the applicable grant agreement.

Any work completed or equipment purchased prior to the execution of the grant agreement between the awardee and DMPED is ineligible for funding under the Program.

Evaluation Process

Each application will first be screened for basic eligibility and completeness. To obtain basic eligibility, the applicant must meet all of the criteria listed under “Eligible Applicants” on page 3 of this document. A complete application should include all necessary information and documentation.

All applications deemed eligible and complete will be forwarded to the application review panel to be evaluated, scored, and ranked. Reviewers will represent a range of expertise in economic development and may include DMPED staff, other DC agency staff, and professionals from local and national organizations. The review panel will evaluate and score applications based on the points assigned to each section of the application as detailed below. Applications will be ranked accordingly. The review panel will then make recommendations regarding the selection of awardees; these recommendations will be reviewed by the Program team. The Deputy Mayor for Planning and Economic Development will make the final determination of grant awards under the Program.

The following Program evaluation criteria (100 point scale) will be used:

Previous Relevant Experience (25 points): The applicant must provide a description of his/her previous experience in owning and operating a business, and include resumes for all owners and existing or proposed managerial staff. The applicant should demonstrate, through a description of the expertise of key staff, that s/he is qualified to operate the business for which s/he seeks a grant. Preference will be given to applicants who have successfully owned and/or operated ventures similar to the business for which they seek a grant.

Financial Viability (25 points): The applicant must demonstrate the financial viability to sponsor his/her up-front capital improvement expenditures, and to maintain and grow his/her business after the capital improvements project is completed. The applicant must demonstrate this financial viability by providing information such as business plans, cash flow statements, or other financial data (i.e. audits, lines of credit, debt/equity, etc.). Negative cash flows are grounds for rejection of the application. Preference will be given to applicants who demonstrate that they possess the financial resources to open and/or operate and grow the business for which they seek a grant.

New Jobs Created/Retained for District Residents (25 points): The applicant must detail the number of full-time and part-time jobs created by or retained from the capital improvements project, as well as the type of compensation for each position. Preference will be given to applicants who include in their proposals employment opportunities for District residents, as well as to those applicants who commit to training District residents, hiring returning and disadvantaged residents, and participating in the Mayor's Summer Youth Employment Program.

Commitment to the Use of CBE Contractors and/or District-Based Businesses (25 points): The applicant must describe how s/he will include Certified Business Enterprise (CBE) contractors and/or District-based businesses in the capital improvements project. Preference will be given to applicants who include in their proposals opportunities for CBEs and/or District-based businesses. To learn more about the CBE Program, please visit <http://dslbd.dc.gov/service/cbe-program>.

Reimbursement Procedures

No grant funds committed under the Program shall be paid out until work has been completed and inspected by DMPED. If an awardee elects to make the capital improvements in phases, so as to break up the payments and reimbursements into installments, then the work will be inspected and reimbursed at the conclusion of each approved phase.

Awardees are required to maintain all receipts and invoices relating to the Program. DMPED reserves the right to disallow costs that are deemed ineligible under the Program and may withdraw any remaining awarded funds at any time.

Copies of canceled checks (front and back) must be submitted with all proof of expenditures. Proof of expenditures may be provided in the form of paid vendor invoices, purchase orders, itemized register receipts, or other evidence of expenses. Cash receipts and money orders are not considered proper documentation for reimbursement.

All expenditures will be approved by the DMPED Grants Administrator. All expenditures must be allowable under the Program. All costs must be necessary and reasonable.

Approved payment requests will be processed within 30 to 45 business days. Failure to follow the above rules and regulations will result in a delay in the reimbursement process.

First Source Employment Agreement Requirements

Pursuant to Mayor's Order 83-265, DC Law 5-93 and DC Law 14-24, as amended, one of the primary goals of the District of Columbia government is the creation of job opportunities for District of Columbia residents. Accordingly, all awardees under the Program must enter into a First Source Employment Agreement with the Department of Employment Services (DOES) upon award of any grant funds. The First Source Employment Agreement will require the awardee to: (i) use diligent efforts to hire and use diligent efforts to require its architects, engineers, consultants, contractors, and subcontractors to hire at least fifty one percent (51%) District of Columbia residents for all new jobs created by the capital improvements project, all in accordance with such First Source Employment Agreement, and (ii) use diligent efforts to ensure that at least fifty one percent (51%) of apprentices and trainees are residents

of the District of Columbia and are registered in apprenticeship programs approved by the D.C. Apprenticeship Council.

All inquiries regarding the First Source Employment Agreement should be directed to:

Anetta Graham, Supervisor
First Source Program - Department of Employment Services
4058 Minnesota Avenue, NE
Third Floor
Washington, DC 20019
(202) 698-3757 Direct
anetta.graham@dc.gov

Reservations

Funding for any grant award is contingent on continued grantor funding. The publication of this grant application does not commit DMPED to make any awards.

DMPED reserves the right to accept or deny any or all applications if DMPED determines that it is in the best interest of the District to do so.

DMPED reserves the right to issue Addenda and/or Amendments to this grant application subsequent to the issuance of this application, or to rescind this application.

DMPED shall not be liable for any costs incurred by an applicant in the preparation of one or more grant applications for this Program. The applicant understands and agrees that all costs incurred in developing and preparing any grant application shall be the applicant's sole responsibility.

DMPED may conduct pre-award on-site visits to verify information submitted in a grant application and to determine if it is appropriate to fund the applicant's proposed capital improvements project under the Program.

DMPED may enter into negotiations with an awardee and adopt a firm funding amount or other revision of the awardee's proposal that may result from the negotiations.

In the event of a conflict between the terms and conditions of the grant application and any applicable federal or local law or regulation, or any ambiguity related thereto, then the provisions of the applicable law or regulation shall control and it shall be the responsibility of the applicant to ensure compliance.

Insurance Requirements

The applicant, when requested, must show proof of all insurance coverage required by law at the time of application submission. The applicant shall maintain general liability insurance, consistent with District law. The applicant is responsible for adhering to the insurance guidelines as defined by the District of Columbia Office of Contracting and Procurement.

- A. **GENERAL REQUIREMENTS.** The awardee shall procure and maintain, during the entire period of performance under the grant agreement, the types of insurance specified below. The awardee shall have its insurance broker or insurance company submit a Certificate of Insurance to the Contracting Officer providing evidence of the required coverage prior to commencing performance under the grant agreement. In no event shall any work be performed until the required Certificates of Insurance signed by an authorized representative of the insurer(s) have been provided to, and accepted by, the Contracting Officer. All insurance shall be written with financially responsible companies authorized to do business in the District of Columbia and have an A.M. Best Company rating of A-VIII or higher. The awardee shall require all of its sub-awardees to carry the same insurance required herein. The awardee shall ensure that all policies provide that the Contracting Officer shall be given thirty (30) days prior written notice in the event that the stated limit in the declarations page of the policy is reduced via endorsement or the policy is canceled prior to the expiration date shown on the certificate. The awardee shall provide the Contracting Officer with ten (10) days prior written notice in the event of non-payment of premium.
1. Commercial General Liability Insurance. The awardee shall provide evidence satisfactory to the Contracting Officer with respect to the services performed that it carries \$1,000,000 per occurrence limits; \$2,000,000 aggregate; Bodily Injury and Property Damage including, but not limited to: premises-operations; broad form property damage; Products and Completed Operations; Personal and Advertising Injury;

contractual liability and independent contractors. The policy coverage shall include the District of Columbia as an additional insured, shall be primary and non-contributory with any other insurance maintained by the District of Columbia, and shall contain a waiver of subrogation. The awardee shall maintain Completed Operations coverage for five (5) years following final acceptance of the work performed under the Program.

2. Automobile Liability Insurance. The awardee shall provide automobile liability insurance to cover all owned, hired or non-owned motor vehicles used in conjunction with the work performed under the Program. The policy shall provide a \$1,000,000 per occurrence combined single limit for bodily injury and property damage.
 3. Workers' Compensation Insurance. The awardee shall provide workers' compensation Insurance in accordance with the statutory mandates of the District of Columbia.
 4. Employer's Liability Insurance. The awardee shall provide employer's liability insurance as follows: \$500,000 per accident for injury; \$500,000 per employee for disease; and \$500,000 for policy disease limit.
- B. DURATION. The awardee shall carry all required insurance until all work performed under the Program is accepted by the District, and shall carry the required General Liability; any required Professional Liability; and any required Employment Practices Liability insurance for five (5) years following final acceptance of the work performed under the Program.
- C. LIABILITY. These are the required minimum insurance requirements established by the District of Columbia. HOWEVER, THE REQUIRED MINIMUM INSURANCE REQUIREMENTS PROVIDED ABOVE WILL NOT IN ANY WAY LIMIT THE AWARDEE'S LIABILITY UNDER THE PROGRAM.
- D. AWARDEE'S PROPERTY. The awardee and sub-awardees are solely responsible for any loss or damage to their personal property, including but not limited to tools and equipment, scaffolding and temporary structures, rented machinery, or owned and leased equipment. A waiver of subrogation shall apply in favor of the District of Columbia.

- E. MEASURE OF PAYMENT. The District shall not make any separate measure or payment for the cost of insurance and bonds. The awardee shall include all of the costs of insurance and bonds in the grant price.
- F. NOTIFICATION. The awardee shall immediately provide the Contracting Officer with written notice in the event that its insurance coverage has or will be substantially changed, canceled, or not renewed, and provide an updated certificate of insurance to the Contracting Officer.
- G. CERTIFICATES OF INSURANCE. Prior to commencing work on the capital improvements project under the Program, the awardee shall submit certificates of insurance providing evidence of the required coverage as specified under “Insurance” beginning on page 9 of this document. The awardee shall submit evidence of insurance to:

Office of Contracts, Procurement and Grants
Government of the District of Columbia
Office of the Deputy Mayor for Planning and Economic Development
1100 4th Street SW, Suite E500
Washington, DC 20024

Application Submission

Please submit all applications online at greatstreets.dc.gov.