

DRLF

Dover Revolving Loan Fund

OVERVIEW

Through funding from USDA Rural Development and combined with a cash match from the Downtown Dover Partnership (DDP), the DDP has established the Dover Revolving Loan Fund (DRLF) for small business owners in downtown Dover, Delaware. Along with other DDP funding programs to incentivize and support small business development, the Dover Revolving Loan Fund will contribute to the long-term improvement of the economy in this rural community, and specifically in the Central Business District, including job and business creation and retention, improvement to the education and skills of the rural workforce, and vacancy reduction, which is mitigated by filling buildings with qualified and properly financed entrepreneurs.

The Dover Revolving Loan Fund (DRLF) operates under the guidelines of the Revolving Loan Fund Plan, which may be found on pages 4-13.

Qualifying Entities, Projects, Properties, and Use of Funds:

- Business owners, businesses, and properties to be beneficiaries of the DRLF program must be physically located within the City of Dover, as part of or directly adjacent to the Downtown Development District, and specifically within the Central Business District “Target” Area which is Loockerman Street and radiating out two blocks from Loockerman Street to the North and South. See page 18.
- Acquisition and development of building/property, including professional services (engineering, architecture, etc.) required for the expansion.
- Technical advisement/assistance for private business enterprises.
- Construction, conversion, enlargement, repairs or modernization of buildings (including façade repairs, bring up to ADA and life-safety standards), plants, machinery, furniture, fixtures, equipment, access streets and roads, parking areas, utilities, and pollution control and abatement facilities.
- Startup operating cost and working capital.
- Other uses of fund, as determined by the Economic Development Funding Review Committee (EDFRC) in concert with the DDP.

Details of the Program:

- **Application fee** will be a non-refundable \$175 due at time of application submission.
- **Interest rate is 2%.** NOTE: This interest rate may change at the discretion of the DDP.

- **Loan amount: \$5,000** to qualified applicants. Proof of in-kind or matching funds toward the project is required for loans
- **Period of repayment is three years.**
- **There will be no pre-payment penalty**, though monthly payments must be made per the sample amortization schedule (see Example on Page 13) and pre-payment made can be made one time only, wherein a final payment is made with the full balance remaining, minus any interest remaining on the loan.

Required documents, in addition to the actual application:

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- **An application must be submitted, to include FINANCIALS, which include:**
 1. Two most recent years of tax statements, including the filing status page
 2. A current profit and loss statement (P & L)
 3. A business plan and/or an executive summary of the business plan
 4. Other document that the EDFRC may require prior to or after submission of the application and financials

Applicants that cannot supply documents #1-3 above are advised to not apply at this time. They are advised to speak with a technical assistance provider or accountant that can help the applicant develop these documents. If the business has been in business less than two years, other documents will be required for loan consideration.

Other Costs:

If determined necessary by the DDP, applicants and loan recipients may be charged for credit report fees, UCC and filing security documents, lien search fees, loan closing costs, attorney's fees, filing fees, or other documents necessary to complete loan documentation.

Upon approval of loan, all loan fees will be addressed in the Letter of Conditions and/or Loan Agreement between the DDP and the loan recipient. The DDP may waive or amend these fees.

Requirements of Loan Recipients

- **Loan recipients of the Dover Revolving Loan Fund are required to complete advisement and/or technical assistance** provided by a Small Business Development Center (SBDC) advisor/Navigator Program, and/or with a similar pre-approved training or technical assistance provider on a topic that is intended to advance the knowledge, skills, and profitability of the business owner. The DDP representative will concur with the loan recipient to determine the exact requirement, which will then be detailed as a condition of receiving the grant in the Letter of Conditions. Disbursement of funds may be reliant on enrollment and completion of this advisement/training.
- **Loan recipients will be required to provide performance metrics**, such as number of jobs established or retained, vacancies reduced, businesses retained and/or expanded, and/or others as required by the EDFRC in concert with the DDP. These metrics will be required in a periodic report, to be detailed in the Letter of Conditions upon successful loan award.

- Loan recipients that relocate outside of the property and/or Target Area for which the loan was provided during the loan repayment time period may be required to immediately pay off the loan.

Questions about the Dover Revolving Loan Fund Applications for the program may be found at:

- <https://tinyurl.com/DoverBusinessIncentives>
(<https://www.downtowndoverpartnership.com/ddp/incentives/>)
- Downtown Dover Partnership: 101 W. Lookerman Street, Suite 2B, Dover, DE 19904
- Inquiry@DowntownDoverPartnership.com or call DDP office at 302-678-2940

Submissions: Electronic submission of applications and financials is preferred.

- **SUBMIT APPLICATION:**
 - Electronically: Inquiry@DowntownDoverPartnership.com

OR

 - By Mail: Downtown Dover Partnership office at 101 W. Lookerman Street, Suite 2B, Dover, DE 19904
- **FINANCIALS:** This portion of the application must be directed as follows:
 - Electronically: Inquiry@DowntownDoverPartnership.com with “CONFIDENTIAL LOAN FINANCIALS [YOUR BUSINESS NAME]” stated in the subject line of the email

OR

 - By Mail to : Downtown Dover Partnership office at 101 W. Lookerman Street, Suite 2B, Dover, DE 19904 Financials within the package must be clearly labeled “CONFIDENTIAL LOAN FINANCIALS [YOUR BUSINESS NAME]”

An application is not considered complete until the application and financials have been submitted to the Downtown Dover Partnership via the email or standard mailing addresses above. Recommended, if mailing: Certified, first-class mail with a return receipt requested; USPS Priority, Fed Ex, USPS or other mail with confirmation that DDP received the package.

Equal Opportunity Lending

The Downtown Dover Partnership DRLF is an equal opportunity lender and requires loan recipients to adhere to all equal opportunity laws. Further, USDA is an equal opportunity provider, employer, and lender.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA.

DOWNTOWN DOVER PARTNERSHIP

REVOLVING LOAN FUND PLAN

Through the creation of a Revolving Loan Fund (DRLF) for small business owners in downtown Dover, Delaware, the Downtown Dover Partnership seeks to improve the quality of life in the City of Dover central business district. Along with other DDP funding programs to incentivize and support small business, the Dover revolving Loan Fund will contribute to the long-term improvement of the economy in this rural community, including job creation and retention, improvement to the education and skills of the rural workforce, and vacancy reduction, which is mitigated by filling buildings with qualified and properly financed entrepreneurs.

The Downtown Dover Partnership (grantee) Revolving Loan Fund (DRLF) operates under the guidance of this Revolving Loan Fund Plan. This Revolving Loan Fund Plan will not be amended or changed without prior written concurrence from Rural Development (grantor), an Agency of the USDA.

POLICY STATEMENTS:

Grant funds will be received by the Downtown Dover Partnership through the Rural Business Development Grant program and are being used to establish a revolving loan fund (DRLF). The DRLF will be used to provide financial assistance to third parties within the guidelines of this revolving loan fund plan.

The Downtown Dover Partnership will contribute a cash match to establish the DRLF. Verification of these funds is provided with the grant application. These funds will remain in the DRLF until the DRLF is terminated. Termination will not take place without prior concurrence of the grantor.

The DRLF will be used to finance applicant needs that cannot be met from applicant's current resources or commercial financial institutions. The DRLF may finance the majority of an applicant's project needs up to \$5,000 if other resources are not available, but proof of in-kind or matching funds toward the project are required for loans.

The Board of Directors of the Downtown Dover Partnership is the sole authority for approval or denial of loans from the DRLF and is responsible for all decisions and actions of the DRLF. The DRLF will be operated and maintained solely by the Downtown Dover Partnership.

To avoid potential conflicts of interest, or the appearance of a conflict of interest, all applications will be numbered, and all names of parties removed from the application materials. This process will ensure that applicants who are DDP board members/volunteers or otherwise closely aligned with the DDP will be able to apply in anonymity, and will have equal opportunity to apply and be considered for loans, and receive funds, if they are found to be qualified through the process. **SEE ATTACHMENT A.**

Amendments to this Rural Development Plan will require the approval of the Downtown Dover Partnership Executive Committee. However, no action will be taken to amend this plan without the prior written approval of the Rural Business Cooperative Service (RBS), its successors or assigns.

Equal Opportunity Lending

The Downtown Dover Partnership DRLF is an equal opportunity lender and requires loan recipients to adhere to all equal opportunity laws. Further, USDA is an equal opportunity provider, employer, and lender.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA.

All information regarding DRLF loan requests will at all times be kept confidential by the members of the Downtown Dover Partnership board, the loan review committee, and Downtown Dover Partnership staff.

If/As necessary, the Downtown Dover Partnership may seek the advice and counsel of outside consultants and sources in order to adequately perform due diligence regarding the project.

REVOLVING LOAN FUND MANAGEMENT:

Administration and Management of the Revolving Loan Fund

Loan Review Committee

The Downtown Dover Partnership Board of Directors has appointed an Economic Development Funding Review Committee (EDFRC) to review all DRLF loan applications. The EDFRC will perform necessary due diligence in order to make a written recommendation to the Downtown Dover Partnership Executive Committee, which has final authority regarding all actions of the DRLF. The EDFRC will meet on an as-needed basis under the terms of the application procedures listed below.

Members of the EDFRC serve on a volunteer basis. The EDFRC shall be comprised of no fewer than five voting members plus the Downtown Dover Partnership Executive Director or his/her designee. The Economic Development Executive Director/designee shall not have voting privileges but may be involved in the discussion and offer advising and recommendations.

Three persons of the committee shall constitute a quorum necessary for approving or rejecting an application for funding from the DRLF. A simple majority (51%) of members voting shall be necessary for approval.

If a member of the EDFRC has a financial interest in the project being reviewed, he/she will abstain from the loan review/recommendation. Members of the EDFRC will serve indefinite terms. However, the Downtown Dover Partnership executive committee has the right to replace members of the EDFRC in the event of resignation or other necessary circumstances.

The EDFRC members were chosen, in part, because of their experience with lending and/or economic and community development projects and because they are public, private or non-profit agencies or individuals regularly involved in advising small business owners. The DDP staff will serve but not take a voting position on this review committee, to ensure no conflict of interest. Appointed members of the committee may select a designee to attend committee meetings and review documents in their place, should the appointed member not be able to do so. Committee appointments do not reflect an amendment to the DRLF Plan and therefore do not have to be approved by USDA.

Members of the EDFRC are representatives from among, though not limited to, many of the following entities, and most of whom have successfully served in a similar capacity with the Downtown Dover Partnership over time:

- City of Dover
- Central Delaware Chamber of Commerce
- NCALL/Restoring Central Dover Initiative
- Private small business consultant
- Small Business Development Center
- State of Delaware Division of Small Business
- True Access Capital
- Wilmington University (or other local college)

REVOLVING LOAN FUND GUIDELINES:

Loan funds will be used to finance and/or develop small and emerging private business enterprises in rural areas.

Qualifying Entities, Projects, Properties, and Use of Funds:

Business owners, businesses, and properties to be beneficiaries of the DRLF program must be physically located within the City of Dover, as part of or directly adjacent to the Downtown Development District, and specifically within the Central Business District “Target” Area which is Loockerman Street and radiating out two blocks from Loockerman Street to the North and South. See Attachment C.

Acquisition and development of building/property, including professional services (engineering, architecture, etc.)

Technical advisement/assistance for private business enterprises.

Construction, conversion, enlargement, repairs or modernization of buildings (including façade repairs), plants, machinery, furniture, fixtures, equipment, access streets and roads, parking areas, utilities, and pollution control and abatement facilities.

Startup operating cost and working capital.

Other uses of fund, as determined by the EDFRC in concert with the DDP.

Other requirements of those participating in the revolving loan program:

- **Application fee** will be a non-refundable \$175 due at time of application submission
- **Interest rate** is 2%
- **Period of repayment** is three years. There will be no pre-payment penalty, through monthly payments must be per the amortization schedule provided, and pre-payment made be made one-time only, where in a final payment is made with the full balance remaining, minus any interest remaining on the loan.

- **An application must be submitted, to include FINANCIALS, which include:**
 - Two years of tax statements, including the filing status page
 - A current profit and loss statement
 - A business plan and/or an executive summary of the business plan
 - Other document that the EDFRC may require prior to or after submission of the application and financials

Requirements of Loan Recipients:

- **Loan recipients of the Dover Revolving Loan Fund are required to complete advisement and/or technical assistance** provided by a Small Business Development Center (SBDC) advisor/Navigator Program, and/or with a similar pre-approved training or technical assistance provider on a topic that is intended to advance the knowledge, skills, and profitability of the business owner. The DDP representative will concur with the beneficiary of funds to determine the exact requirement, which will then be noted in the Letter of Conditions. Disbursement of funds may be reliant on enrollment and completion of this advisement/training.
- **A Letter of Conditions** will be provided to loan recipient from the DDP upon notice of approval to extend a loan.
- **Loan recipients will be required to provide performance metrics**, such as number of jobs established, vacancies reduced, businesses retained and/or expanded, and/or others as required by the EDFRC in concert with the DDP. These metrics will be required in a periodic report, to be detailed in the Letter of Conditions upon successful award of a loan.

Other program details:

- The DDP, in concert with the EDFRC, reserves the right to all final decisions of the program, as long as they do not conflict with policy of USDA Rural Development, Loans will be extended and distributed within the sole discretion of the DDP. The DDP may waive or permit variations to program guidelines.
- Loan recipients that relocate outside of the property and/or Target Area for which the loan was provided during the loan repayment time period may be required to immediately pay off the loan.

In-Eligible Applicants, Projects or Use of Funds:

- Applications by members of the loan committee and their immediate family members shall be ineligible for funding.
- DRLF funds will not be used to fund a part of a project which is dependent on other funding unless there is a firm commitment of the other funding to ensure completion of the project.
- DRLF funds will not be used to pay off any previous debt. Refinancing construction financing may be an exception to this rule.
- DRLF funds will not be made unless there is a reasonable prospect that the applicant meets the definition of "small and emerging private business enterprises" defined as "any private business that will employ 50 or fewer new employees and has less than \$1 million in projected gross revenues." If USDA Rural Development changes its definition of small and emerging business as defined by the

Rural Business Development Grant regulations, the Downtown Dover Partnership reserves the right to utilize the amended definition without further approval from the grantor.

- DRLF funds will not be used to produce agriculture products through growing, cultivation, and harvesting either directly or through horizontally integrated livestock operations except for commercial nurseries, timber operations, or limited agricultural production related to technical assistance projects.
- DRLF funds will not be used to finance comprehensive area-wide type planning. This does not preclude the use of grant funds for planning for a given project.

Minimum / Maximum Loan Amounts:

Loans to be made from the DRLF will not exceed the level of available funding in the DRLF bank account. Loans made from the DRLF will typically be \$5,000. The Loan Committee may authorize loans other than in the amount listed above on a case-by-case basis.

Interest Rate:

The interest rate will be 2.0 %. Interest earned by DDP on any DRLF loan will remain in the fund for use in making additional DRLF loans, per the requirement of USDA Rural Development.

Fees/Closing Costs:

- A \$175 application fee shall be submitted with each application. Costs associated with processing the application (e.g., credit report fees, UCC and lien search fees, filing security documents, filing legal documents fees, etc.), if determined necessary by the DDP, shall be the responsibility of the applicant. The DDP may waive or amend this fee structure without further approval from the grantor.
- The DDP may charge loan recipients for loan closing costs, attorney's fees, filing fees, etc., as necessary to complete loan documentation. All loan fees will be addressed in the Letter of Conditions and/or Loan Agreement between the DDP and the loan recipient.

Loan Term:

Loans will be amortized over three years, and paid monthly to the Downtown Dover Partnership in equal amounts, per the sample Loan Amortization Chart. (See Attachment B) Loans may be pre-paid in full, with the actual amount of principle to be due as a final payment, assuming no past due payments have been incurred.

Security / Collateral:

The DDP may require personal guarantees and/or co-signors, which will be determined on a case-by-case basis. Security shall consist of the best lien available on real estate, equipment, inventory, etc. The discounted value of the security (using typical lender discount rates) shall equal or exceed the value of the loan.

The DDP may require collateral, and if determined to be required, the DDP representative will collaborate with the applicant to obtain security/collateral that is adequate for the term of the loan. The nature of the collateral pledged shall be determined by the loan committee on a project-by-project basis. If the same collateral is used in joint financing, the DRLF will seek a parity position with other lenders. Types of security may include:

- Mortgage Lein on Real Property
- Machinery and equipment which have a developed market;

- Letter(s) of credit from acceptable financial institution(s);
- Securities issued by the Federal government or its agencies;
- Accounts receivable and inventory for short-term loans.

APPLICATION PROCEDURES:

Applications for DRLF funds will be accepted on a rolling basis, while funds are available. All applicants for DRLF funding will be required to complete an application form and provide a corresponding business plan (and/or one-page executive summary) with verifiable data which demonstrates that their proposed projects are economically feasible, sustainable, and will provide benefits to rural areas, either through job creation or infrastructure improvements.

Questions about the Dover Revolving Loan Fund Applications for the program may be found at:

- [See Page 3]

Submissions: Electronic submission of applications and financials is preferred.

- [See Page 3]
- Complete applications will be packaged by the DDP and reviewed by the Economic Development Funding Review Committee (EDFRC) .
- There must be evidence presented by the applicant that indicates the DRLF loan is necessary to make the proposed project feasible.
- The Loan Committee may require written business plans feasibility studies, business plans, market studies, and/or other documents as appropriate for the business type.
- The Economic Development Funding Review Committee will analyze each project and make a written recommendation to the Downtown Dover Partnership Executive Committee (EC).
- The Downtown Dover Partnership will review EDFRC recommendations at the monthly meetings, but for brevity, the EC may be called to a special meeting to review a loan application recommendation(s).
- The Downtown Dover Partnership EC, once having reviewed recommendations by the EDFRC, shall have final authority to approve or deny DRLF loan requests, and to determine appropriate terms and conditions that vary from those recommended by the EDFRC.
- For approved loans, a Letter of Conditions/Loan Agreement addressing all of the terms and conditions, including monitoring procedures, repayments, delinquencies, defaults and remedies for that project will be prepared by the DDP. In addition, the DRLF shall have prepared all notes, mortgages, security agreements, UCC filings and other legal documents necessary to close the loan. The DRLF will use appropriate note, mortgage, and other forms which are approved by the State Bar Association.
- Before DRLF funds can be disbursed to the loan recipient, all requirements and terms of the Loan Agreement must be met, and supplemental financing must already be contributed or verified ready to contribute to the project.

Review Criteria:

- Applications will be reviewed and funded (if eligible) based on the following criteria:
- The loan review committee and Downtown Dover Partnership Executive Committee will consider the financial need of the project, the probability of success, the security offered, and the overall benefits of the project to rural areas, including the number of jobs to be created or retained, vacancy reduction, diversification of the economy, the extent of the upgrading of the skills of the rural workforce, the quality of the jobs in terms of pay scale and benefit package.
- Applications with the greatest anticipated opportunity for economic impact for the community shall receive greatest priority. Criteria to be considered in determining economic impact include number of jobs created or saved, wage scale of employees, benefits paid to employees, priority target area, and likelihood of loan funds to produce intended outcome.
- Applications of equal economic impact will be funded in date order of application.

LOAN MONITORING:

The Downtown Dover Partnership Executive Director, otherwise known as “Executive Director,” shall be responsible for administrative requirements of the DRLF. The Executive Director may delegate these responsibilities to other persons.

All DRLF loans will be monitored to ensure that loan proceeds are spent as identified in the DRLF application, that all other sources of financing have been committed to the project, and that the benefits of the project, such as job creation, are accomplished as stated in the DRLF application. The Executive Director shall ensure that DRLF lien positions and loan collateral are secure.

- This loan monitoring will require regular reporting by the loan recipient.
- Annual income statements and balance sheets will be collected from the loan recipient. Depending on the nature of the project and security arrangements, Downtown Dover Partnership reserves the right to require the submission of annual financial reports as audited by a certified public accountant.
- The Downtown Dover Partnership has the right to conduct occasional site visits to meet with the loan recipient, verify collateral and collect any information as required.
- At the option of the Downtown Dover Partnership, periodic management information reports may be required of the loan recipient. Management reports may be required as often as on a quarterly basis, beginning six months after the advance of DRLF funds and continuing thereafter for a period of three years or until completion of the project, whichever is the later period.
- If requested, management reports will include:
 - information on the number of jobs created or retained during the reporting period;
 - building enhancement,
 - occupancy of a previously vacant building;
 - comparison of accomplishments during the reporting period to the objectives established for the project,
 - a description of any problems, delays, or adverse conditions which will materially affect the attainment of planned project objectives and a statement of action taken or contemplated to resolve the situation.
- The Downtown Dover Partnership reserves the right to require these reports on a more frequent basis if it is determined to be in the best interest of the DRLF.

COLLECTION PROCEDURES:

- The Director or his/her designee is charged with the responsibility for loan collections and related workouts, collection of charged-off loans, management and disposal of other real estate owned, and any other activities related to delinquent accounts.
- As part of this responsibility, the Director shall have authority to initiate foreclosures, and collection suits after consultation with the Downtown Dover Partnership's legal counsel. The Executive Director will advise the board of such action at their next regular meeting.
- Past due notices will be generated and sent to the loan recipient according to the following schedule:
 - First notice sent on the 10th day after a note or payment is due.
 - Second notice sent on the 20th day after a note or payment is due.
 - If the delinquent account becomes 30 days delinquent, the Executive Director will make phone contact with the loan recipient to inquire about the situation and arrange appropriate corrective action.
 - As a prudent lender and at the Downtown Dover Partnership's sole discretion, a one-time corrective action/workout of a delinquent account is permitted. As part of the workout, loan terms may be modified by deferral, amortization and/or balloon payments.
 - If the delinquent account is not taking steps to cure default and the account becomes 60 days delinquent, a written 30-day Notice to Cure will be issued and sent to the loan recipient via certified, first-class mail with a return receipt requested.
 - If the delinquent account does not respond to the Notice to Cure by paying the amount stated in the cure notice, the file will be forwarded to the Downtown Dover Partnership's legal counsel to start foreclosure actions.

FILE RETENTION:

All DRLF files will be retained for a period of not less than 3 full years after the loan has been paid in full. After 3 years, the files will be destroyed by shredding or incineration. Files will be secured in a locked, safe place and access will be limited to Intermediary staff with DRLF responsibilities. Other security measures will be initiated as needed to protect confidentiality of loan documents.

This Revolving Loan Fund Plan is submitted by the grantee (DDP). Upon approval by the grantor, the grantee agrees that no changes will be made to the Revolving Loan Fund Plan without prior written approval by the grantor.

ATTACHMENT A

The document below was approved by USDA Rural Development In February 2022 (USDA Representative Deborah Proud.)

Current language of the USDA with regard to revolving loan funds:

“To avoid potential conflicts of interest, or the appearance of a conflict of interest, an DRLF loan will not be made to any board member, officer, general manager, or supervisory employee of the Downtown Dover Partnership or close relative thereof, or to any the Downtown Dover Partnership subsidiary or affiliated organization in which the Downtown Dover Partnership has a financial interest.”

Situation:

The DDP by-laws require that merchants and business owners hold several board member and committee chair/member positions. As key downtown stakeholders, their involvement is integral to ensuring that the DDP is meeting its mission to develop and implement business retention, expansion and recruitment strategies, make strategic property purchases, effectively manage DDP-owned properties, and facilitate redevelopment in, and other enhancements to, the downtown area.

Concern:

Disqualifying board members and committee chairs/members from benefitting from programs of the DDP could severely reduce the number of willing candidates to serve in these roles.

Recommendation:

Board and committee members (“member”) of the DDP who own or have close ties to businesses and/or property(ies), and/or are related to same, who otherwise may qualify for or benefit from programs of the DDP, be considered eligible to apply to those programs. The member must be removed from discussions and decisions related to evaluation/assessment of applications, and review of applications should be made by an independent review committee for such programs. Qualifications for eligibility and eventual award to such persons (if awarded), as well as follow up requirements to the award, must be applied as they would any other candidate/applicant.

In the cases of the revolving loan program or the REAP (Retention Expansion & Assistance Program), the independent review committee will be the Economic Development Funding Review Committee (EDFRC), whose members will be representatives from among many of the following entities, many of whom have served in a similar capacity with the Downtown Dover Partnership for five years or more: *

- City of Dover
- Central Delaware Chamber of Commerce
- NCALL/Restoring Central Dover Initiative
- Private small business consultant
- Small Business Development Center
- State of Delaware Division of Small Business
- True Access Capital
- Wilmington University (or other local college)

*NOTE: The DDP staff will not have a voting role in the committee, but will simply act as liaison between the Economic Vitality committee and the Review committee.

Diane Laird
Downtown Dover Partnership
1-28-22

ATTACHMENT B

Example of Loan Repayment Amortization Schedule

\$5,000 loan at 2.0% interest

NOTE: Requires separate application fee of \$175.00)

Payment	Date	Payment	Principal	Interest	Balance
		0	0	0	5000
1	Jul 3 2022	\$143.21	\$134.88	\$8.33	\$4,865.12
2	Aug 3 2022	\$143.21	\$135.10	\$8.11	\$4,730.02
3	Sep 3 2022	\$143.21	\$135.33	\$7.88	\$4,594.69
4	Oct 3 2022	\$143.21	\$135.55	\$7.66	\$4,459.14
5	Nov 3 2022	\$143.21	\$135.78	\$7.43	\$4,323.36
6	Dec 3 2022	\$143.21	\$136.00	\$7.21	\$4,187.36
Year 1	2022	\$859.26	\$812.64	\$46.62	\$4,187.36
7	Jan 3 2023	\$143.21	\$136.23	\$6.98	\$4,051.13
8	Feb 3 2023	\$143.21	\$136.46	\$6.75	\$3,914.67
9	Mar 3 2023	\$143.21	\$136.69	\$6.52	\$3,777.98
10	Apr 3 2023	\$143.21	\$136.91	\$6.30	\$3,641.07
11	May 3 2023	\$143.21	\$137.14	\$6.07	\$3,503.93
12	Jun 3 2023	\$143.21	\$137.37	\$5.84	\$3,366.56
13	Jul 3 2023	\$143.21	\$137.60	\$5.61	\$3,228.96
14	Aug 3 2023	\$143.21	\$137.83	\$5.38	\$3,091.13
15	Sep 3 2023	\$143.21	\$138.06	\$5.15	\$2,953.07
16	Oct 3 2023	\$143.21	\$138.29	\$4.92	\$2,814.78
17	Nov 3 2023	\$143.21	\$138.52	\$4.69	\$2,676.26
18	Dec 3 2023	\$143.21	\$138.75	\$4.46	\$2,537.51
Year 2	2023	\$1,718.52	\$1,649.85	\$68.67	\$2,537.51
19	Jan 3 2024	\$143.21	\$138.98	\$4.23	\$2,398.53
20	Feb 3 2024	\$143.21	\$139.21	\$4.00	\$2,259.32
21	Mar 3 2024	\$143.21	\$139.44	\$3.77	\$2,119.88
22	Apr 3 2024	\$143.21	\$139.68	\$3.53	\$1,980.20
23	May 3 2024	\$143.21	\$139.91	\$3.30	\$1,840.29
24	Jun 3 2024	\$143.21	\$140.14	\$3.07	\$1,700.15
25	Jul 3 2024	\$143.21	\$140.38	\$2.83	\$1,559.77
26	Aug 3 2024	\$143.21	\$140.61	\$2.60	\$1,419.16
27	Sep 3 2024	\$143.21	\$140.84	\$2.37	\$1,278.32
28	Oct 3 2024	\$143.21	\$141.08	\$2.13	\$1,137.24
29	Nov 3 2024	\$143.21	\$141.31	\$1.90	\$995.93
30	Dec 3 2024	\$143.21	\$141.55	\$1.66	\$854.38
Year 3	2024	\$1,718.52	\$1,683.13	\$35.39	\$854.38
31	Jan 3 2025	\$143.21	\$141.79	\$1.42	\$712.59
32	Feb 3 2025	\$143.21	\$142.02	\$1.19	\$570.57
33	Mar 3 2025	\$143.21	\$142.26	\$0.95	\$428.31
34	Apr 3 2025	\$143.21	\$142.50	\$0.71	\$285.81
35	May 3 2025	\$143.21	\$142.73	\$0.48	\$143.08
36	Jun 3 2025	\$143.32	\$143.08	\$0.24	\$0.00
Year 4	2025	\$859.37	\$854.38	\$4.99	\$0.00
Running Totals: \$ Paid		\$5,155.67	\$5,000.00	\$155.67	\$5,000.00

Downtown Dover Partnership Revolving Loan Fund (Begin June 1, 2022)

www.DowntownDoverPartnership.com

Loan Repayment Summary

\$143.21

Total Monthly Payment

\$0.00

Down payment amount

0.00%

Down payment %

\$155.67

Total Interest Paid over three years

\$0.00

Monthly/Total Tax Paid

\$1,718.52

Annual Payment Amount

\$5,155.67

Total of 36 Payments

Loan pay-off date: Three years from one month after date of loan disbursement.

36 equal payments.

Cost of loan over three years: \$116.47 plus \$100 application fee = \$216.47

NOTE: Revolving Loan Program requires separate application fee of \$175.00

<https://www.mortgagecalculator.org/calcs/amortization.php>

Signature Page

I _____ have read and understand the **Overview** and the **Revolving Loan Fund Plan**, and will adhere to the requirements and of the program.

Signature of Applicant Title Date

Name and address of business for which this application is being submitted

The Downtown Dover Partnership (GRANTEE)

By: _____
(Signature) (Title) (Date)
Diane Laird Executive Director

See next page for DRLF Application

DRLF

Dover Revolving Loan Fund

APPLICATION

Name of Business Owner: _____

Home Address of Business Owner:

Street /Apt.: _____

City: _____ State: _____ Zip: _____

Phone/Cell: _____ Other Phone: _____

Email Address: _____

Current Business Name: _____

Type of Business or Business Category: _____

How long have you been in business? ____yrs. ____mos. How long at this address? ____yrs. ____mos.

Current Business Address:

Street /Suite.: _____

City: _____ State: _____ Zip: _____

Phone/Cell: _____ Other Phone: _____

Web address: _____

How much revenue was generated in: 2019 _____ 2020 _____ 2021 _____

IF APPLICABLE:

Address of new business (If applicable):

Street /Suite.: _____

City: _____ State: _____ Zip: _____

Phone/Cell: _____ Other Phone: _____

Does the new business have a web address? _____ YES _____ NO

If yes, provide web address: _____

Does your current business, now operate in the priority DDP Downtown Designated Area?

(See Attachment C) _____ YES _____ NO

Do you have a current Delaware Business License? _____ YES _____ NO

Do you have a current City of Dover business License? _____ YES _____ NO

Describe briefly (100 words or less) how you plan to use these funds. *Description of your needs/what funds will be used for, and include how meeting this need will address business and job retention or expansion goals:*

Does your business provide/include products and/or services that fall within one or more of the “Top Ten Priority Business Categories” that have been shown by market research to be needed in downtown Dover? (See Attachment D.) _____ YES _____ NO

What is the Business Category (whether or not in Top Ten Priority Business Category list):

Provide 5 targeted metrics (quantifiable results) to your planned move into Dover, or Dover retention/expansion plans. (How will your business benefit from the loan? For instance, # of jobs gained/stabilized, vacancies reduced, number of customers gained, etc.)

NOTE: You will be required to provide reports to quantify the metrics that you state below, and or others as determined by the EDFRC/DDP.

- 1.
- 2.
- 3.
- 4.
- 5.

I agree that, if I receive the loan, I will comply with the following:

- Provide required documentation, as identified on Page 2.
- If asked, I will present my loan request in person to the Committee, as well provide updates during the loan timeframe both in writing and, if asked, I will come before the EDFRC.
- I will disclose to the DDP if my plans for use of the funds change or if failure of my business within six months to a year is likely, pending, or imminent.

- Adhere to loan funding requirements that will be provided per terms outlined in the Letter of Conditions.
- If will not use funds outside of the description and intent of the Letter of Conditions and/or without prior approval from the DDP/Committee. If that occurs, I understand I will be required to return the funds to the DDP within 30 days of DDP notice to do so or in an alternate timeframe that DDP sets up.
- If the business fails within the three years repayment period, I will be required to pay back to the DDP outstanding funds.
- Additional requirements may be provided in the Letter of Conditions.

I hereby provide information in this application and related documentation is true and correct, to the best of my knowledge.

_____ Initial

I further understand that providing falsified information or documents, or any other assertion of incorrect information to obtain grant funds, will disqualify me from applying for, or receiving, funds from the DDP for a period of one year from date of application, and that the DDP staff and EDFRC reserve the right for all final decisions.

Business Name: _____

Applicant Name (Printed): _____

Applicant Signature: _____

Date: _____

Downtown Dover Representative (Printed)

Title

Date: _____

Questions may be directed to: Inquiry@DowntownDoverPartnership.com

Downtown Dover Partnership; 101 W. Loockerman St., Suite 1A; Dover, DE 19904; 302-678-2940

ATTACHMENT C



Priority DDP Downtown Designated Area*

*The DDP may waive or permit variations to these guidelines.

ATTACHMENT D

The following “Top Ten Priority Business Categories” have been shown by market research to be needed in downtown Dover.

1. **Microbrewery/Brewpub**
2. **Restaurants/Hybrid Bars/Pubs/Snacks**
3. **Millennial Tavern**
4. **Healthy Living: gym, yoga, health and specialty**
5. **Healthy Eating: vegan, organic, smoothies**
6. **Farm Fresh/Ethnic/Green Grocers**
7. **Apparel/Shoes/Accessories**
8. **Jewelry, Gift and Novelty Destination Boutiques**
9. **Personal Service**
10. **Specialty: wine, cheese, nuts, confections, oils, flowers**