



CITY OF CUMBERLAND
LEASEHOLD IMPROVEMENT
PROGRAM
INSTRUCTIONS AND APPLICATION
2018

DEADLINE TO APPLY
November 16, 2018 – no later than 12:00 p.m.

City of Cumberland
Department of Community Development
57 North Liberty Street
Cumberland, MD 21502
301-759-6431

TENANT LEASEHOLD IMPROVEMENT PROGRAM Overview

The Leasehold Improvement Program will provide grants of up to \$15,000 to lessees of first floor commercial space within the boundaries of the Central Business District. The program is funded by the State of Maryland's Community Legacy program and operates on a reimbursement basis. All payments to design professionals, municipal permits, required licenses, and contractors are the full responsibility of the applicant.

Eligibility Requirements

- All applicants must have an approved Occupancy Permit or have already submitted an application to verify that the proposed use of the space to be improved is an approved use within the Central Business District.
- The maximum award that will be allocated will not exceed \$15,000.
- The amount of award granted will depend upon the number of applications received. Not everyone who applies will receive funding.
- The applicant must possess a fully executed lease for the location specified in the application with at least two (2) years remaining in the term.
- The improvements proposed must be for a new business or for the physical expansion of an existing business.

Ineligible Uses:

- The Project shall NOT include or support the following types of businesses: pawn shop, gun shops, tanning salons, massage parlors, adult video/book shop, adult entertainment facilities, check cashing facilities, gambling facilities, tattoo parlors, or liquor stores.
- Additionally, no part of the Project, and no part of the Property, shall be used for the furtherance of sectarian religious instruction, or in connection with the design, acquisition, or construction with any building used or to be used as a place of sectarian religious worship or instruction, or in connection with any program or department of divinity for any religious denomination, including (but not limited to) religious services, religious instruction, or other activities that have an explicitly religious content.
- Funds for property acquisition is not permitted

- Funds cannot be used for operating expenses including, but not limited to working capital, salaries, utility payments, or rent payments
- Construction costs incurred prior to application approval will not be counted in funding calculations

Eligible Costs

The Leasehold Improvement program is intended to provide funding for improvements affixed to the property and therefore will not provide for the purchase and installation on non-fixed equipment or inventory. All projects must meet all applicable building codes and will require review by the Maryland Historical Trust and Maryland Codes Office prior to receiving a notice to proceed. Examples of acceptable improvements/costs include, but are not limited to, the following:

- Drywall
- Electrical improvements
- Flooring
- HVAC/Mechanical
- Interior Demolition
- Lighting
- Painting
- Plumbing
- Signs
- Accessibility Improvements

Application Process

1. Applicant is encouraged to attend a pre-application meeting scheduled in advance by City of Cumberland.
2. Applicants must prepare and submit a complete application by the deadline.
3. Once submitted, a program review team will request a site visit in order to view the space referenced in the application.
4. Applicants should obtain copies of permit checklists from the Department of Community Development prior to submitting this application in order to be fully aware of all requirements.

5. In addition to the normally required permit reviews, all awarded projects will be submitted to the Maryland Historical Trust for a compliance review. Applicants should familiarize themselves with the Secretary of the Interior's Standards for Rehabilitation. Copies of these standards can be provided upon request to the City of Cumberland's Community Development Programs Manager. Projects will also be sent to the Maryland Codes Office.
6. The Property owner, not the applicant/lessee, maintains possession of all improvements funded by this program in the event the lessee vacates the leased space.
7. The Property owner must agree to the scope of work for which funds are being requested from the Leasehold Improvement Program and to allow property to be showcased with scheduled tours for a one-year period following the completion of the project and allow photos, press releases, advertising, etc. for an unlimited period of time. This can be verified through the issuance of a notarized letter.
8. Consideration will be given to those projects that can demonstrate the most project leverage or additional investment in the project.
9. Applicant must outline need for funding as part of application
10. The applicant must demonstrate qualifications that ensure ability to undertake and complete the project
11. Must use a Licensed General Contractor and Architect/Design Professional (when required by code) for the project
12. Projects must be completed in a timely manner and a detailed timeline must be included in the application. Priority will be given to projects that can be completed within the timeframe currently imposed by the State for this program: June 1st 2020.
13. All required permits must be obtained prior to construction. Projects that are commenced prior to receiving the proper permits will invalidate the funding agreement and will lose all awarded funds.
14. Applications that are incomplete risk being withdrawn from scoring.
15. Applicants who are LLCs must provide a list of all principles/members of the LLC.

Application Review/Scoring

Completeness of application, including provision of all required documentation and attachments = 20 points

Space designed for retail/restaurant use (Best demonstrated by detailed floor & construction plans) = 10 points

Confirmation that the project can be completed on time (Best demonstrated by written statement from selected General Contractor acknowledging timeline) = 10 points

Demonstrated ability to successfully undertake and complete the proposed project (best demonstrated by evidence of obtaining proper permits for past projects, no history of citable code violations or Stop Work Orders, and documented financial ability as indicated by completed project financing plan and funding commitment letters) = 10 points

Evidence of maximum applicant leverage = 5 points

Evidence of a licensed General Contractor to manage the proposed project = 5 points

Occupancy Permit attached = 10 points

Concept plan and business plan attached = 10 points

Smart Start Assessment test score total via the SBDC added on to total score: _____

www.marylandsbdc.org

Submittal Requirements

- Copy of Business License
- Copy of Lease
- For Food Service Establishments, Provide Proof of Correspondence with the Health Department
- Provide qualification of persons working directly with the project in order to demonstrate ability to undertake and complete project. Include experience and track record for filing and complying with permit/code review requirements.
- Concept Plan or Business Plan
- Smart Start Assessment Score Confirmation
- Occupancy Permit
- Disclosure and documentation of any pre-existing/current business loans

Financial Information:

Please Attach the Following:

- Verification of current funds available to commit towards the project along with security level of those funds to include letters of commitment, bank statements, award letters, etc. Funding

availability should include any of the following that apply (**please obscure any account number references**):

- Personal Accounts
- Loans, Including Loans already approved and “in-hand”
- Lines of Credit
- Other Grants
- Tax Credits
- Verification of Application for Other Funding
- Business Plan
- Copy of lease

Community Legacy Leasehold Improvement Program Application

Applicant/Lessee: _____

Address: _____

Telephone#: _____ E-Mail Address: _____

Contact Person for Project:

(If different from above)

Telephone#: _____ E-Mail Address: _____

Building Address:

Total Projected Project Cost: _____

Total Funds Secured to Date: _____

Amount of Personal Funds Calculated from Above: _____

Amount of Public Funds: _____

Financial Gap Currently Existing: _____

Total Funding Requested: _____

(Maximum Award= \$15,000)

If the total amount of funding requested is less than the current gap, please explain:

If the total amount funding requested is greater than the gap currently existing, please explain:

Construction Information:

Current Primary Usage: _____

Proposed Usage: _____

Basement: _____

Ground Floor: _____

Second Floor: _____

Third Floor: _____

Fourth Floor & Up: _____

Please Attach Building Review (to be completed by a design professional)

Review must include analysis of the following:

- Plumbing, sewer, roof, structural, electrical, HVAC, fire, health & safety, code compliance, etc.
- Obtain copies of permit checklists from the Department of Community Development

Please Attach a Project Scope of Work to include the following:

- Cost to complete all deficiencies identified by design professional
- All license and permit fees
- Construction Management fee
- Architectural/Design Fees
- DETAILED Construction Cost Estimates
- DETAILED Timeline for Completion
- General Materials List
- Photographs in digital format – Interior and Exterior

Please provide an outline of Anticipated Changes to the Building to include at a minimum floor plans and schematics for the project area. These drawings are not required to be professionally complete at time of application submission. Please also include any additional information that you have including construction documents, renderings, etc.

Please identify and provide contact information on the General Contractor and Construction Manager for this project. For the General Contractor, please include contractor's license # and proof of insurance.

*****Please Provide Photographs of All Areas of Both the Interior and Exterior of the Building which are being leased by the applicant. Please provide photos in digital format and views should be clearly labeled. *****

*******Public Information Disclosure**

The City of Cumberland intends to make available to the public certain information regarding projects for which an application has been submitted. The information available to the public will include the information in this application as submitted or amended. This information may be confidential under Maryland's Access to Public Records Act. If you consider this information confidential and do not want it made available to the public, please indicate so in writing attached to this application. You agree that not attaching an objection constitutes your consent to the information being made available to the public and a waiver of any rights you may have under the Act regarding this information.

Map of Eligible Project Area

Central Business District

