

Downtown Development Revolving Loan Fund (DD RLF) Program



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Cherie Bennett, Program Manager

Downtown Development Revolving Loan Fund Program

□ What Is It?

Gap financing program designed to help local governments revitalize and enhance downtown areas with below-market interest rates for eligible capital projects

□ Benefits and Opportunities

- Low interest rates
- Subordinated debt position to private bank financing
- Technical Assistance provided

Downtown Development Revolving Loan Fund Program

- Purpose – to assist local governments and development authorities with the revitalization of downtown areas
- Must be located within the core historic commercial district and any adjacent historic neighborhoods where DD RLF will spur commercial redevelopment.
- Eligible in municipalities and counties below 100,000 in population



The Baldwin Lofts – Milledgeville, Georgia



Amoss Pharmacy Building – Fairburn, Georgia

Typical eligible activities



- Land acquisition
- Building acquisition
- New construction
- Renovation
- Combinations

Ineligible Activities:

- ❑ Working Capital
- ❑ Operating Expenses
- ❑ Refinancing of Permanent Loans
- ❑ Administration
- ❑ Local Revolving Loan Funds



Typical Loan Terms

- ❑ Interest Rate: 3%

(presently 2% DD RLF for Main Street cities in good standing)

- ❑ Repayment Period: 15-year term with a 15-year amortization

- ❑ No application fees or loan origination fees

- ❑ Application is made by the DDA. At loan closing, DCA loans to DDA and DDA loans to sub-borrower/business.

Typical Loan Terms

- ❑ Maximum loan amount: \$250,000, not to exceed 40% of total eligible project costs.
- ❑ Minimum Loan of \$50,000 (minimum total project costs \$125,000)
- ❑ Equity injection and commercial financing are required
 - Bank – 50%
 - DDRLF Loan – 40%
 - Owner Equity – 10%

Successful DD RLF Applications



Must Demonstrate:

- ❑ Gap in financing
- ❑ Project fits in with Community's plans for Downtown Revitalization
- ❑ Project will have Positive Impact on Downtown
- ❑ Project is Feasible and Sound
- ❑ Borrower is credit worthy

Downtown Development Revolving Loan Fund Program

❑ Other projects –

- ❑ Law offices in Downtown Newnan
- ❑ Empire South Clothing Store in Downtown Hartwell
- ❑ Scoops Ice Cream Shop in Downtown Metter
- ❑ Co-working space in Downtown Canton
- ❑ The Lift Fitness Studio in Downtown Bainbridge
- ❑ Story on the Square bookshop in Downtown McDonough
- ❑ Fuzzy Goat Yarn Shop in Downtown Thomasville
- ❑ Mixed-Use spaces including retail and apartments in Downtown Dublin and Statesboro

Applications



- Accepted year-round
- Available at www.dca.ga.gov
- Available for download

DD RLF Fact Sheet

DD RLF Initial Project Assessment (IPA)

DD RLF Application

DD RLF Regulations

Success Stories



Grassroots Coffee Company - Thomasville





Financing for the Grassroots Coffee Company

<u>Source</u>	<u>Amount</u>	<u>Use</u>	<u>Amount</u>
DD RLF	\$150,000	Acquisition / Renovation	\$150,000
Bank	\$187,507	Acquisition / Renovation	\$187,507
Equity	\$ 37,507	Acquisition	\$ 37,507
Total	\$ 375,014		\$ 375,014

Mystic Grill - Covington



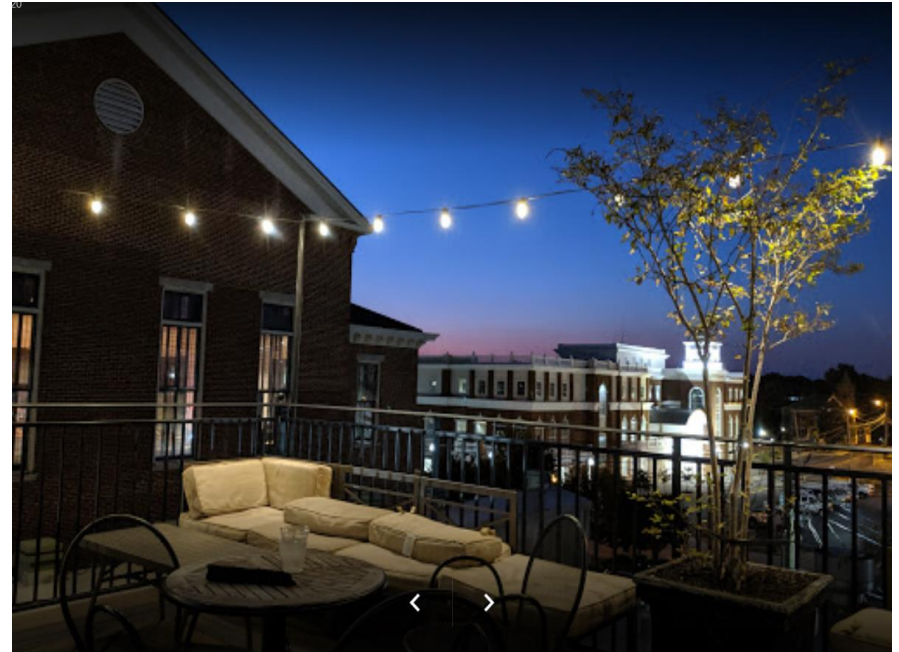
Financing for the Mystic Grill

<u>Source</u>	<u>Amount</u>	<u>Use</u>	<u>Amount</u>
DD RLF	\$ 250,000	Renovations	\$ 250,000
GCF	\$250,000	Renovations	\$250,000
Newton Federal Bank	\$ 845,000	Renovations	\$ 285,000
		Furn./Equip.	\$ 480,000
		Acquisition	\$ 80,000
Equity	\$ 450,000	Acquisition	\$ 385,000
		Rehabilitation	\$ 45,000
		Architect/Design	\$ 20,000
Total	\$1,795,000		\$1,795,000

Mystic Grill - Interior



Mystic Grill - Covington



Mystic Grill - Covington



THE ALLEY

Tucked just below The Mystic Grill in Covington, GA is The Alley Gift Shop and Mystic Museum. The Alley offers gifts to fill all your fandom fantasy needs! It is also the only place to find authentic Mystic Grill staff shirts as seen in the television series *The Vampire Diaries* AND *The Originals*!

New The Mystic Museum houses props and wardrobe from your favorite hit shows that were filmed here in Covington, GA! Stop by to see one of a kind pieces that were worn by the celebs and see behind the scenes photos and authentic autographed merchandise!



Mystic Grill - Covington



City Pharmacy - Covington



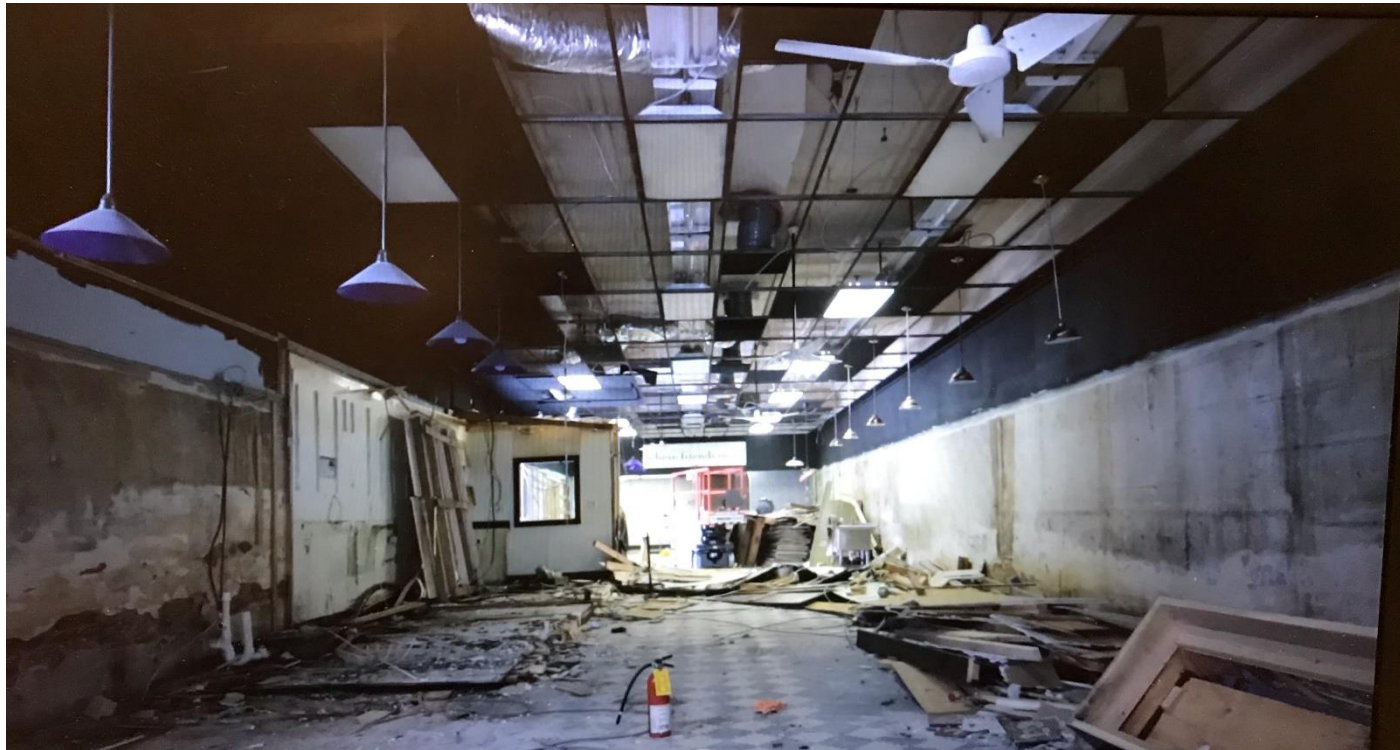
City Pharmacy - Covington



City Pharmacy - Covington



City Pharmacy - Covington



City Pharmacy - Covington



Financing for the City Pharmacy

<u>Source</u>	<u>Amount</u>	<u>Use</u>	<u>Amount</u>
DD RLF	\$ 250,000	Renovations	\$ 250,000
GCF	\$ 250,000	Renovations	\$ 250,000
United Bank	\$ 551,458	Renovations	\$ 395,437
		FF&E	\$ 156,021
Equity	\$ 570,318	Pre-Open Exp.	\$ 291,106
		FF&E	\$ 152,614
		Working Cap.	\$ 40,239
		Op. Reserve	\$ 86,359
Total	\$1,621,776		\$1,621,776

Contact Information:



Cherie Bennett

**Economic Development Program Manager
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329**

Direct 404-831-2058

Mobile 404-831-2058

Cherie.Bennett@dca.ga.gov

