



Downtown Development Districts

Fiscal Year 2017
Annual Report



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FISCAL YEARS 2015 - 2017

8

DESIGNATED DISTRICTS

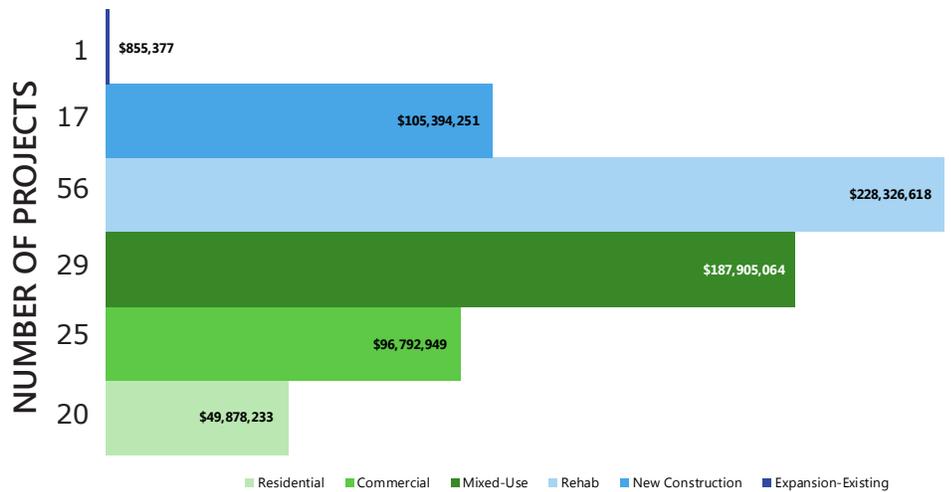
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SMALL PROJECT GRANTS AWARDED

48

ACTIVE LARGE PROJECTS

\$16.9 MILLION
IN STATE INVESTMENT HAS SPURRED
\$334.6 MILLION
TOTAL INVESTMENT



INTRODUCTION

After decades of losing residents who moved out to the suburbs, Delaware's cities and towns have been working hard to reestablish their downtowns as places where people can live, work, and thrive. However, poor building conditions, socioeconomic challenges, crime and perception of safety have made redevelopment a daunting task for both communities and potential investors. Fortunately, these same areas have desirable assets, such as

designated historic districts, traditional commercial corridors, compact walkable neighborhoods, parks, and architecturally beautiful buildings. The State and local governments are coordinating efforts to overcome these barriers to development so that new private investment and market opportunities can be shifted back to the heart of Delaware's communities.

DOWNTOWN DEVELOPMENT DISTRICT PROGRAM OVERVIEW

In April of 2014 the General Assembly passed Senate Bill 191, the Downtown Development Districts Act (the Act), which was subsequently signed by Governor Markell on June 5, 2014. This Act created the Downtown Development Districts program which seeks to revitalize the downtown "Central Business District" in selected city, town, and county areas through the use of economic and other incentives. The purposes of the Act are to:

- Spur private capital investments in commercial business districts and other neighborhoods;
- Stimulate job growth and improve the commercial vitality of districts and neighborhoods;
- Help build a stable community of long-term residents by improving housing opportunities; and,
- Assist municipalities in strengthening neighborhoods while harnessing the attraction that vibrant downtowns hold for talented people, innovative small businesses, and residents from all walks of life.

Local governments can take advantage of the program by identifying an area in their downtowns as being desirable for revitalization and then developing a district plan and incentives to support revitalization of the area in accordance with the goals of the Act. The application process for designation as a Downtown Development District (DDD or District) is facilitated by the Office of State Planning Coordination. The applications are then evaluated by the Cabinet Committee on State Planning Issues according to three criteria, as specified in the Act: the need and impact (50%), the quality of the district plan (30%), and the local

incentives (20%). The Cabinet Committee then makes recommendations to the Governor who makes the final designation.

According to the legislation, the number of districts is limited to 15 at any one time. So far, there are a total of eight designated Districts. Three were designated in January 2015 and five were just recently designated in August 2016.

- Dover (2015)
- Seaford (2015)
- Wilmington (2015)
- Georgetown (2016)
- Harrington (2016)
- Laurel (2016)
- Milford (2016)
- Smyrna (2016)



*Round 1 Large Project, Sacred Heart Village II
625 E. 10th St, Wilmington DDD*

Selection as a DDD entitles businesses and investors who invest in the commercial, industrial, residential, and mixed-use buildings or facilities located within designated DDDs access to state and local incentives as well as a host of other benefits.

- **Downtown Development District Grant (DDD Grant):** The DDD Grant provides up to a 20 percent grant of capital construction costs and is administered by the Delaware State Housing Authority.
- **Historic Preservation Tax Credits:** The Act allocates 30 percent of the State's yearly allocation of Historic Preservation Tax Credits to be reserved for projects within a District.

- **Municipal Incentives:** Each municipality implements incentives specific to its designated District and to the identified projects in the district plan. Examples of municipal incentives include, but are not limited to:
 - Reduction or waiver in fees or taxes
 - Permit process reform
 - Special zoning districts or exemptions from local ordinances
 - Façade improvement grants
- **Partners:** Other entities who have seen the value in the program have provided incentives in addition to the state and local incentives such as matching grants from both Kent and Sussex Counties.

DOWNTOWN DEVELOPMENT DISTRICT GRANT SUMMARY

The DDD Grant program awards grants to Qualified District Investors (Investors) who make Qualified Real Property Investments (QRPI) within the boundaries of a designated District and in conformance with the district plan. The investment must be necessary for the rehabilitation, expansion, or new construction of commercial, industrial, residential (including multi-family), or mixed-use buildings or facilities. To qualify for a DDD Grant, an Investor must first meet a Minimum Qualified Investment Threshold (MQIT) of \$15,000 or \$25,000, depending on the size of the project.

PROGRAM DESIGN

Delaware was fortunate to have the highly successful Virginia Enterprise Zone program as a starting point when structuring the DDD program for Delaware. From there, DSHA conducted extensive outreach to various stakeholder groups to identify important considerations for Delaware's program. The following is a summary:

A key component of the DDD Grant is funds are awarded only after successful project completion.

- Concern about proceeding in hard-to-develop areas without assurance of funds.
- A variety of diverse projects are needed to reinvigorate distressed areas.
- Small investors may not access the program if it is too complex or if competing with large investors.
- Provide flexibility and ease of use to the greatest extent possible.
- Ensure that investors in all DDDs have reasonable access to funds.
- Provide incentives to projects that best meet local and state priorities



Round 4 Large Project, CH Wilmington, LLC (Residence Inn Hotel)
1300 N Market St, Wilmington DDD

As a result, the following components were incorporated into the program to support a variety of projects throughout the State and ensure State funds are used effectively and efficiently.

Reservation Process

A Reservation process was created to give Investors assurance that their project will be funded once complete. A Reservation is required for Investors applying for the Large Project Set-Aside and a Lite-Reservation is an option for Investors accessing the Small Project Set-Aside.

Flexibility and Threshold Requirements

Great effort was taken to incorporate flexibility in regard to eligibility of projects and applicants. However, there are four threshold requirements that must be met.

- The project must be made within the boundaries of a designated DDD.
- The project investment must be made after the designation of the DDD.
- The project must be in conformance with the district plan.
- The QRPI must be in excess of the \$15,000 for Small Projects and \$25,000 for Large Projects.
- The Investor must demonstrate site control.

Small and Large Project Set-Asides

To ensure a variety of projects, DSHA established two funding set-asides for DDD Grant awards.

Small Project Set-Aside

This set-aside is intended for Investors who may only use the program once, or are not familiar with the complexities of larger scale projects. The maximum DDD Grant award an Investor can receive

from the Small Project Set-Aside is \$50,000 per building or facility. This award is based on a capped QRPI of \$250,000 regardless of the actual QRPI associated with a building or facility. Small Project Investors can apply throughout the year, as long as funding is available.

Large Project Set-Aside

The maximum DDD Grant award an Investor can receive from the Large Project Set-Aside is \$1,500,000 per building or facility. An Investor must apply for a Reservation to be considered for a DDD Grant from this set-aside. DSHA has accepted applications for Large Project Reservations on average two times a year.

District Pool: To ensure that Investors from all Districts have reasonable access to DDD funding, the Large Project Set-Aside is further divided into a General Pool and a District Pool. District allocations are based on the population of each District.

Priority Consideration: In cases where Reservation requests exceed the funding available, DSHA wanted to ensure that the highest quality projects would receive a DDD Grant. This is done by giving projects priority consideration when they meet additional state and local community objectives. These priorities were developed in collaboration with local governments with DDDs.

- Identified as a Priority Project in the district plan
- Readiness to proceed
- Creates permanent jobs
- Provides mixed-use development
- Expands housing opportunities
- Protects historic resources
- Actively reuses existing structures
- Promotes sustainable practices



*Round 2 Large Project, MauTiste Investment Group
420 Reet St and 105-107 S Kirkwood St, Dover DDD*

DDD GRANT ACTIVITY

There have been a total of five completed rounds of applications for Large Projects. Round 1 was open in Fiscal Year 2015, Rounds 2 and 3 were open in Fiscal Year 2016, and Rounds 4 and 5 were open in Fiscal Year 2017. At the time of this report, a sixth round of Large Project applications are currently under review. Figure 1 below details the funding availability by round for Large Projects.

FISCAL YEAR 2015

When the DDD Act was enacted, the initial allocation was \$7 million to fund and administer the DDD Grant program. The DDD Funds in the first round leveraged over \$104 million in private investment for Large Projects. An additional \$608,103 was leveraged through the Small Project funds. As of the end of Fiscal Year 2017, seven of the Large Projects from Fiscal Year 2015 have reached completion and have received their grant. For a more detailed description of the funded projects, see the 2015 Downtown Development Districts Annual Report.

FISCAL YEAR 2016

The General Assembly allocated \$8.5 million to administer the DDD Grant program. The DDD Funds in Fiscal Year 2016 included two application rounds and leveraged over \$44.7 million in private

investment for Large Projects. An additional \$1.6 million was leveraged through Small Project funds. As of the end of Fiscal Year 2017, four of the Large Projects from Fiscal Year 2016 have reached completion and have received their grant. For a more detailed description of the funded projects, see the 2016 Downtown Development Districts Annual Report.

In August 2016 five new Districts in Smyrna, Milford, Harrington, Georgetown, and Laurel were announced. The Districts were eligible for projects beginning with round four applications for Large Projects.

FISCAL YEAR 2017

The General Assembly allocated \$8.5 million to administer the DDD Grant program. During this fiscal year, DSHA held two application rounds for Reservations from the Large Project Set-Aside. A total of 22 Large Projects and 8 Small Projects were selected between the eight districts. The DDD Funds will leverage over \$180 million in private investment for Large Projects. An additional \$695,000 was leveraged through the Small Project funds. As of the end of this Fiscal Year, one Large Project has reached completion and has received their grant.

Funding Availability by Round

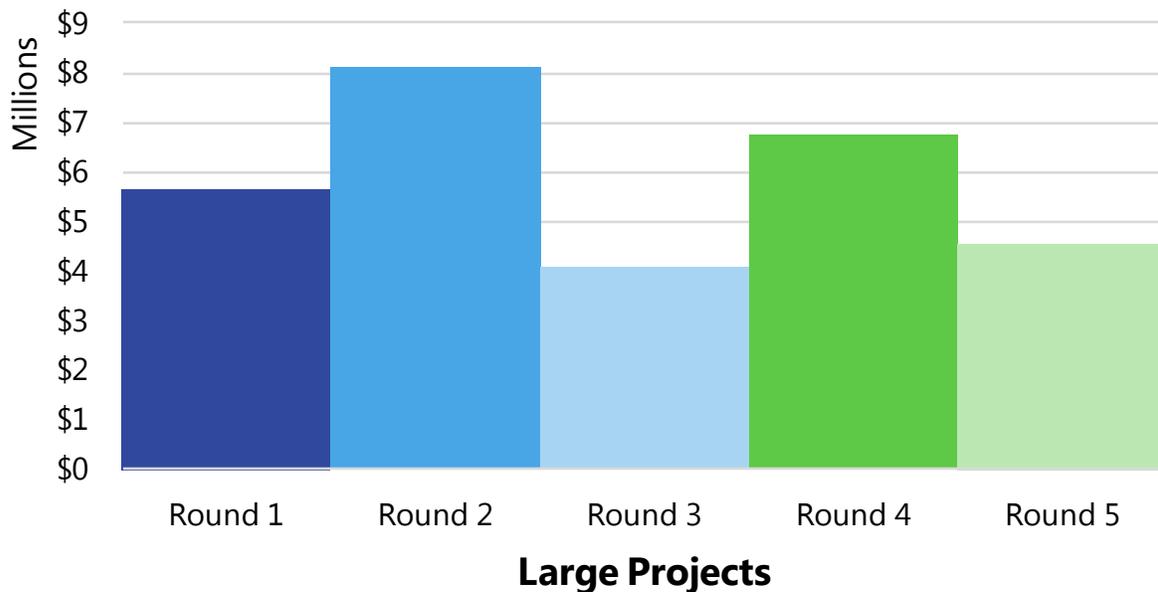


Figure 1: Funding Availability by Round

Large Project Set-Aside - Round 4

In September 2016, the fourth application round for Large Projects was launched. The Reservation awards were announced in January 2017. A total of 15 projects in five of the eight DDDs were selected to receive just over \$3.5 million in DDD Grant funding. In addition, the DDD funding will leverage more than \$65.4 million in private investment.

While the funds were distributed according to the District Pool, more than half of the funds went to Wilmington, where almost \$60 million will be leveraged due to a high application volume from that district. Figure 2 details the amount of private investment leveraged with the DDD Large Project Grant by District.

The awarded projects represent a variety of uses including commercial, residential, and mixed-use. The majority of funds will go towards commercial and mixed-use rehabilitation of buildings. Figure 3 summarizes the Reservations awarded by type and use of projects.

Round 4: Leverage of Private Investment

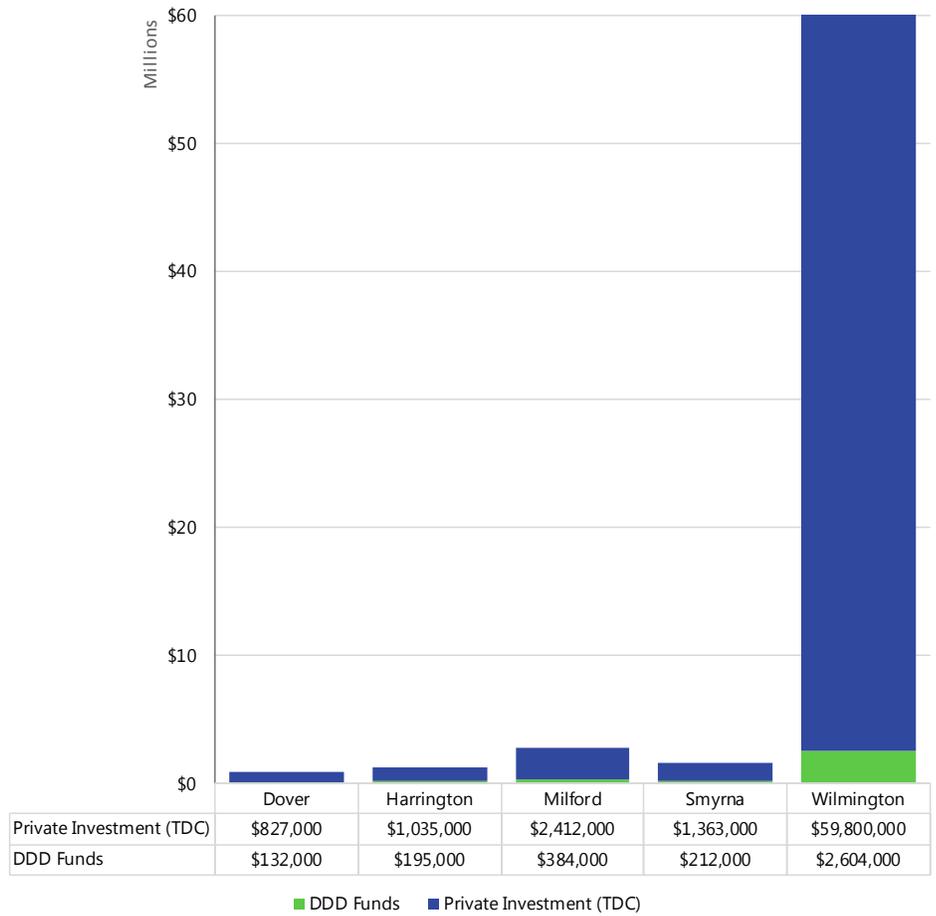


Figure 2: Leverage of Private Investment

Round 4: DDD Funds by Type and Use

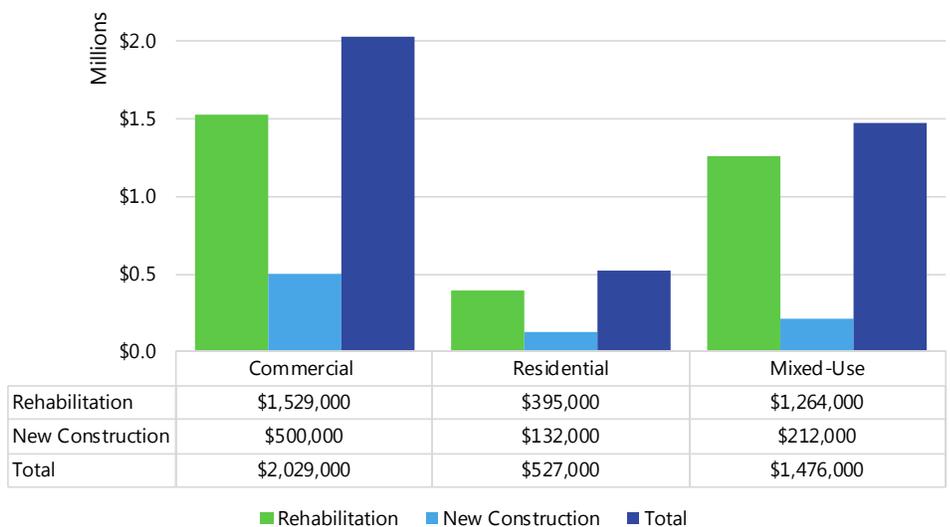


Figure 3: DDD Funds by Type and Use

The following table details the cost breakdown of each project as well as a description of each project.

District/ Investor	Application Total Dev. Costs	Application QRPI	Awarded Reservation
DOVER	\$826,624	\$658,884	\$131,777
NCALL, Inc. Construction of four affordable homes in the Restoring Central Dover area.	\$826,624	\$658,884	\$131,777
HARRINGTON	\$1,035,000	\$975,000	\$195,000
Connections Community Support Programs, Inc. A 3,000 square foot expansion of Connections CSP's Withdrawal Management Center to meet the need for service and add a commercial kitchen for job training and employment.	\$1,035,000	\$975,000	\$195,000
MILFORD	\$2,411,993	\$1,921,728	\$384,346
Downtown Properties of Milford, LLC Historic preservation of the Pikus Building, which was built in the 1840s and is the oldest building in downtown Milford.	\$872,768	\$677,769	\$135,554
Greater Milford Development, LLC The renovation of a former department store and roller skating rink to accommodate office, meeting, and storage space for an architectural/engineering firm.	\$1,539,225	\$1,243,959	\$248,792
SMYRNA	\$1,363,200	\$1,060,700	\$212,140
ATM Properties LLC The Dairy Sweet restaurant will be demolished and replaced by a mixed-use brick building. The restaurant will continue to operate on the first floor, with additional space for other retail.	\$1,363,200	\$1,060,700	\$212,140
WILMINGTON	\$59,800,291	\$45,311,835	\$2,603,606
2 East 7th, LLC Fit out of 2 East 7th Street for restaurant.	\$1,518,839	\$1,073,928	\$214,786
421 Market, LLC Fit out of the first floor retail space in 422 N. Shipley St. The tenant will produce and sell "Hard" Cider.	\$418,450	\$280,450	\$56,090
608 Market, LLC The Factory - Fit out of bottom floor to be a business club for fostering innovation.	\$460,364	\$303,072	\$60,614
627 Market, LLC Fit out of 627 N Market for Tom's Dim Sum.	\$492,238	\$340,504	\$68,101
815 Market, LLC The renovation of a mixed-use building to include a permanent location for the University of Delaware's UDairy Creamery.	\$497,025	\$344,887	\$68,977
CH Wilmington, LLC Adaptive reuse of vacant office building to become a Residence Inn hotel.	\$13,745,645	\$6,356,324	\$585,000
Eastside Community Builders, LLC Renovation of vacant three story mixed use building to create three rental apartments, a coffee café that will partner with a coffee manufacturer to provide training and employment opportunities.	\$978,725	\$773,810	\$154,762
Quaker Village Development, LLC Renovation of a 44-unit rental housing property that would increase the unit count to 45.	\$6,845,032	\$1,976,382	\$395,276
The Mill Wilmington, LLC A renovation of the fourth floor of the Nemours Building. The primary use is commercial space to be used for collaborative business ventures.	\$3,484,739	\$2,503,244	\$500,000
Midtown Apartments, LLC (retro) A mixed-use building including 231 apartments and 12,000 square feet of ground floor retail.	\$31,359,234	\$31,359,234	\$500,000

Large Project Set-Aside - Round 5

In March 2017, the fifth application round for Large Projects was launched. The Reservation awards were announced in June 2017. A total of 7 projects in two of the eight DDDs were selected to receive just over \$3.8 million in DDD Grant funding. In addition, the DDD funding will leverage more than \$115.2 million in private investment.

From the applications received, almost all of the funds went to Wilmington, where over \$111 million will be leveraged by DDD funds. Figure 4 details the amount of private investment leveraged with the DDD Large Project Grant by District.

The awarded projects include both commercial and mixed-use projects. Figure 5 summarizes the Reservations awarded by type and use of projects.

Round 5: Leverage of Private Investment

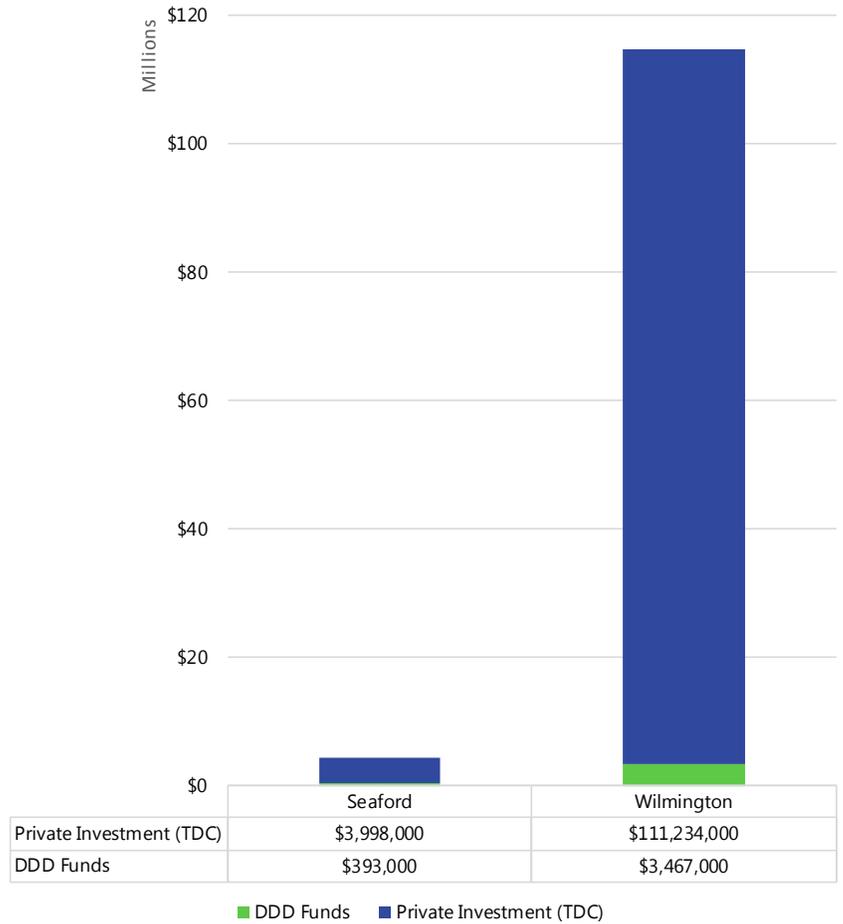


Figure 4: Leverage of Private Investment

Round 5: DDD Funds by Type and Use

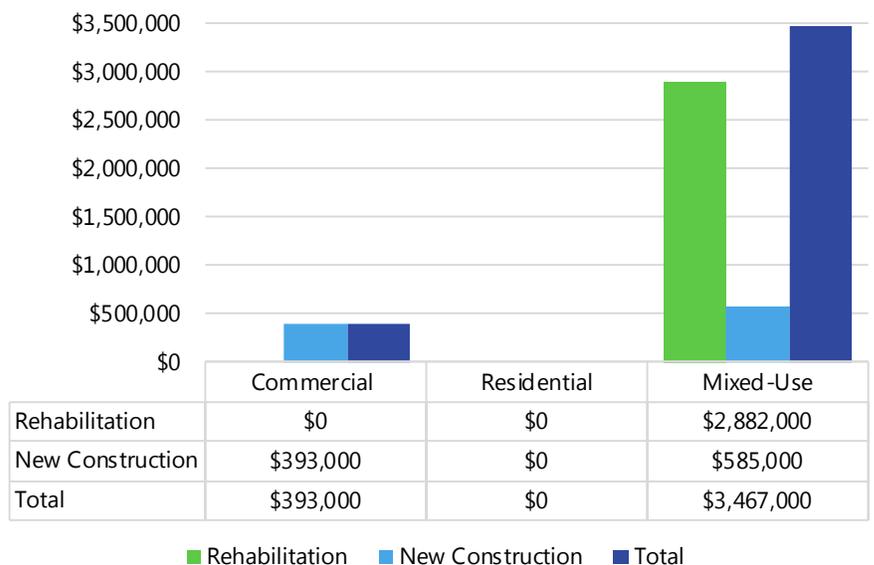


Figure 5: DDD Funds by Type and Use

The following table details the cost breakdown of each project as well as a description of each project.

District/ Investor	Application Total Dev. Costs	Application QRPI	Awarded Reservation
SEAFORD	\$3,998,000	\$1,990,000	\$393,000
Two Farms, Inc. A new convenience store with fuel dispensaries. An existing store and two condemned houses will be demolished. A portion of the property will be donated back to the city to construct a playground.	\$3,998,000	\$1,990,000	\$393,000
WILMINGTON	\$111,234,111	\$61,804,021	\$3,466,884
417 Market LLC The retail fit-out ground floor renovation and roof upgrades. The retail space will include a community-sized grocery store and café.	\$914,864	\$587,800	\$117,560
713 Market LLC Renovation of three buildings and parcels which will be combined into one. The historic facades will be maintained. The first floor will have retail while the upper floors will have 11 walk-up apartments.	\$5,476,396	\$3,615,274	\$528,000
728 Market LLC The renovation of two buildings which will be combined into one. The retail space will be renovated into a restaurant and the upper floors will be converted into 5 walk-up apartments.	\$2,582,601	\$1,181,618	\$236,324
BPG Office Partners VIII, LLC Renovation of ground floor retail space into the hotel lobby for the corporate extended stay units in the building.	\$3,236,289	\$2,944,289	\$500,000
1007 Market Partners Owner LLC Gut renovation of the non-hotel portion of the building. The space will be divided into Chemours World Headquarters, The Hotel DuPont, ground floor retail, and office space.	\$92,123,960	\$47,920,040	\$1,500,000
Han Real Estate LLC Combine four parcels to construct a new building with 24 market rate apartments and 6,200 square feet of retail.	\$6,900,000	\$5,555,000	\$585,000



Round 5 Large Project, BPG Office Partners VIII, LLC
1007 N Market St, Wilmington DDD

Small Project Set-Aside

While both Small and Large projects require completion before funds are distributed, a reservation of funds is not required for Small Projects. The option for a Lite-Reservation is available for Investors with a building permit. As a result, it is difficult to determine the number of projects accessing the funds until project completion.

In Fiscal Year 2017, DSHA awarded \$356,733 in DDD Grant Funds to 19 Small Projects in five of the eight districts. The FY2017 DDD Small Project Grant awards leveraged about \$1.8 million in private investment. Figure 6 summarizes the Small Project investments made in Fiscal Year 2017.

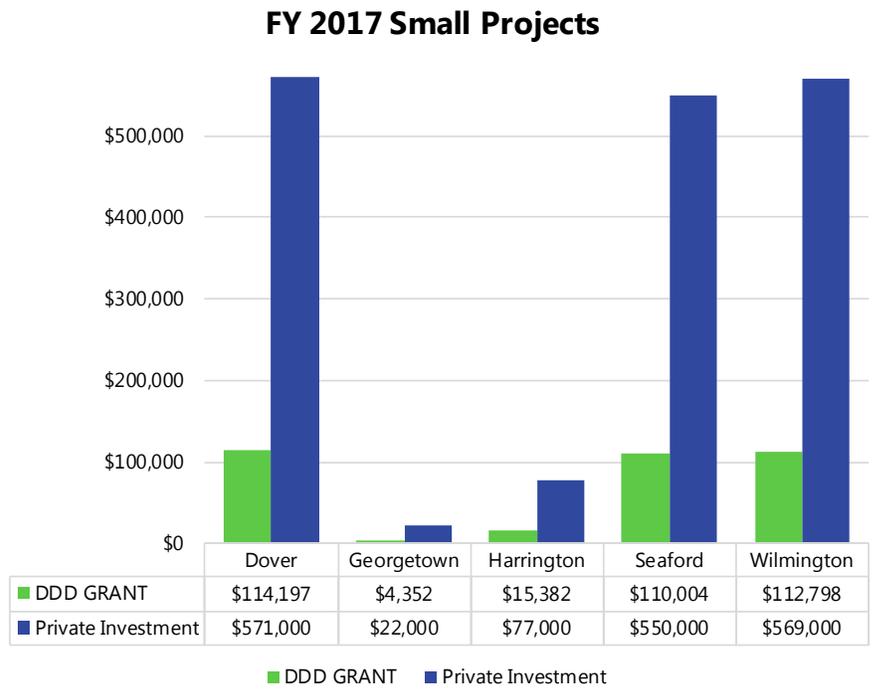


Figure 6: FY2017 Small Project Investments

FISCAL YEAR 2018

Large Project Set-Aside - Round 6

The Application Round for Large Projects just closed in December 2017. The District Pool ensures that at least one project for each District receives a Reservation. In the event that a project is eligible for more funds than available in a particular District, then funds from the General Pool are used to fully fund the Reservation for that project. The allocation of funds are summarized in Figure 7.

Large Project Set-Aside	
General Pool	\$4,037,500
District Pool	\$4,037,500
Dover	\$557,175
Seaford	\$141,313
Wilmington	\$1,833,025
Georgetown	\$464,312
Harrington	\$153,425
Laurel	\$141,313
Milford	\$395,675
Smyrna	\$351,262
Total Large Project	\$8,075,000

Figure 7: FY2018 Allocation of Funds

LEED GRANT

The DDD Grant program seeks to promote sustainable practices by incentivizing projects that achieve high energy-efficiency; reduce the carbon footprint of the community; or, protect the many residents who are unable to pay high bills associated with keeping homes comfortable and safe during extreme weather. One way this is done is by making projects competitive that promote sustainable practices as identified in the Priority Consideration Guidelines. To further promote sustainable practices, in September 2016 Delaware State Housing Authority received a Strategic Opportunity Funds for Adaptation (SOFA)

grant from the Delaware Department of Natural Resources and Environmental Control (DNREC). The SOFA grant is to pay for third-party costs associated with achieving the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Silver Certification, which are not eligible expenses under the DDD Grant. This grant is only available to applicants receiving DDD Grant funds. It is a great opportunity to promote sustainability while reinvesting in Delaware's downtowns. DSHA has provided significant outreach, including a [webinar](#), to DDD grantees about the program, but are yet to have a project become LEED certified.

CENTRAL INCENTIVES WEBSITE

The Office of State Planning Coordination has created a [centralized website](#) where all potential applicants can view all possible incentives related to the Downtown Development Districts. It has links to each municipality's incentives as well as other useful incentives through state agencies, historic tax credits, and bridge loans.

In addition to the District Incentives, others have partnered with the program to offer incentives

of their own. The following incentives are also available to projects within each District.

The University of Delaware has created a [Spark Page](#) that outlines the Downtown Development District Program as well as highlights the incentives available to investors. They are also in the process of creating a storymap that outlines the existing investments in each of the eight districts.

Partner/Incentive	Description
Delaware Historic Tax Credits	30% of the state's yearly allocation of Historic Tax Credits is reserved for projects in DDDs.
Neighborhood Building Blocks Fund	The fund, supported by allocations from recent settlement agreements related to the financial crisis, offers grants to local governments, neighborhood associations, nonprofit and community development organizations in their programs and activities to support crime reduction, neighborhood revitalization, and economic development programs in and around DDDs and other distressed communities.
Home Performance with Energy Star Program	Rebates that can cover up to 75% of the cost for participants who implement the energy efficiency audit recommendations.
Kent County Downtown Development Districts Incentives	Kent County offers a dollar-for-dollar matching grant for projects in Kent County DDDs, of up to \$10,000 per project.
Sussex County Downtown Development Districts Incentives	Sussex County offers a matching grant of .50 cents to the dollar for projects in Sussex County DDDs of up to \$10,000.
Cinnaire Bridge Loans	Cinnaire offers a Bridge Loan to bridge receipt of DDD Large Project Set-Aside Grants to cover the gap for the reimbursement Grant.
State Agency Incentives Booklet	Each cabinet agency offers incentives for the Districts. The State has created a booklet outlining the incentives offered by each cabinet agency and has designated a contact person.

SUMMARY

The program has helped encourage private investment back into the downtowns of Delaware’s cities and towns. Numerous agencies have partnered with the program to offer further incentives for projects located in the Districts. The partnerships and incentives have led to 48 Large Projects and 26 Small Projects within the first three fiscal years of the DDD Grant Program. The overall DDD Grant program has leveraged \$334.6 million in private investment over three years, 20 times the amount of grant funding disbursed through the program. Figure 8 summarizes both the grant and private investments since the program’s inception in 2015.

Qualified Real Property Investments 2015-2017

Figure 9 demonstrates the annual distribution of investment levels for the Qualified Real Property Investments (QRPI) in both the Small and Large Projects. Each year, Small Project investments have grown and become a larger share of projects, with 32 percent of the projects being under \$250,000 in 2017. While the number of smaller projects has increased over the past three years, the number of projects with QRPIs over \$2 million have decreased. In 2015, more than half (64 percent) of projects had Qualified Real Property Investments of \$2 million or more; in 2017, only 17 percent of projects had QRPIs of more than \$2 million. This may be because there are more districts, with many in smaller towns that do not have the opportunity for projects that are in the multi-million dollar range.

Eligible Use and Construction Project Type

Over the three years that the program has been in place, the number of commercial projects

DDD Grant Investments: FY 15-17

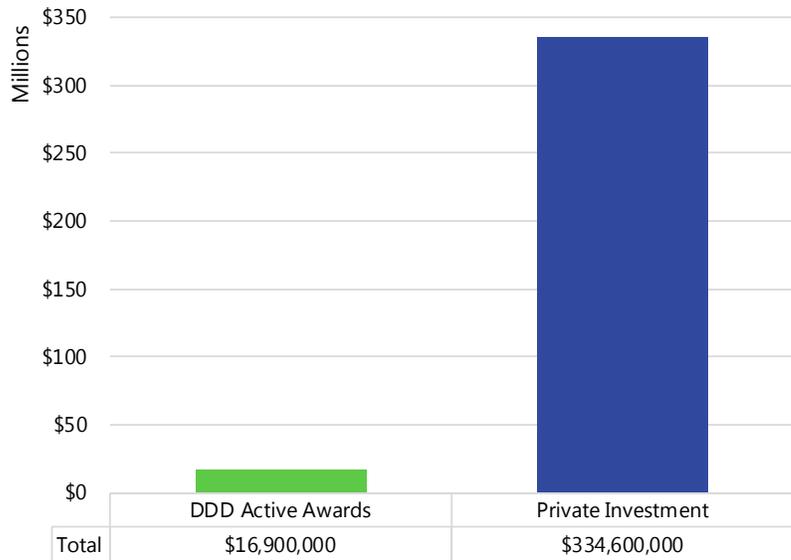


Figure 8: FY2015-2017 Grant Investments

Qualified Real Property Investment Range 2015-2017

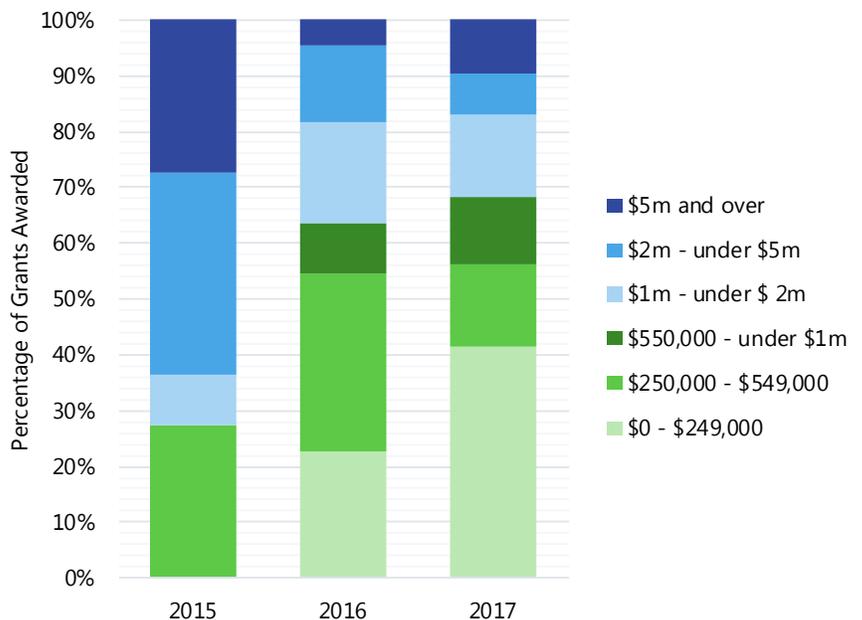


Figure 9: FY2015-2017 QRPI Range

have increased, while the number of residential projects have decreased. This may be due to an increased demand for businesses in the commercial core of each of the eight districts. With the residential projects occurring first, the population in the downtown core may have grown enough to increase commercial demand in the area. Figure 10 depicts the percentage of projects by eligible use for each year of the program.

As depicted in Figure 11, almost all of the projects have been new construction and rehabilitation during all three program years. In 2015, 55 percent of the projects were rehabilitation and 45 percent were new construction. By 2017, 83 percent of all projects that received grants were rehabilitation. This growth in rehabilitation projects demonstrates the demand and flexibility of adaptive reuse projects as well as the feasibility of utilizing the strengths of the existing buildings in each of the District's downtowns.

Eligible Use 2015-2017

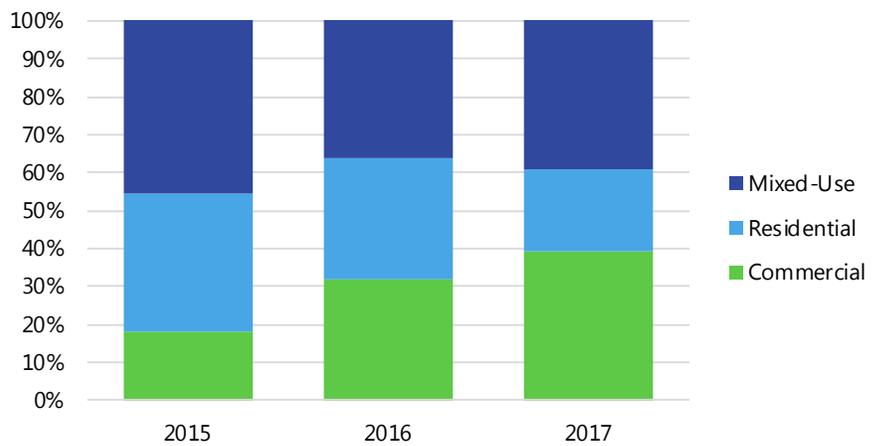


Figure 10: FY2015-2017 Projects by Eligible Use

Construction Project Type 2015-2017

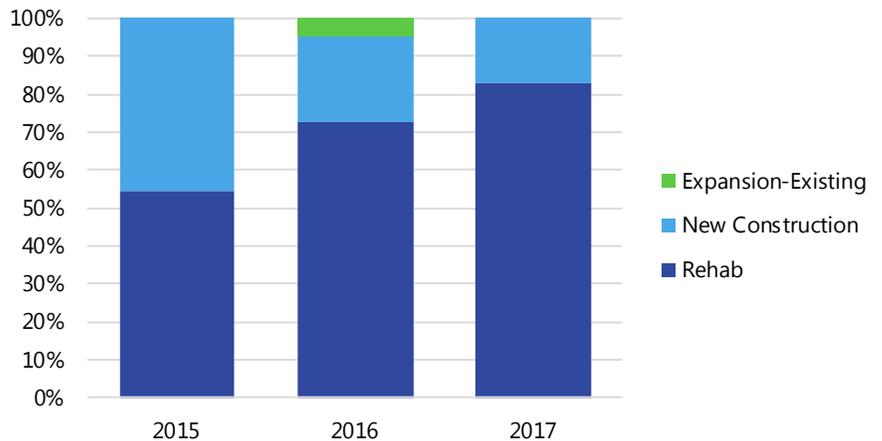


Figure 11: FY2015-2017 Projects by Construction Type

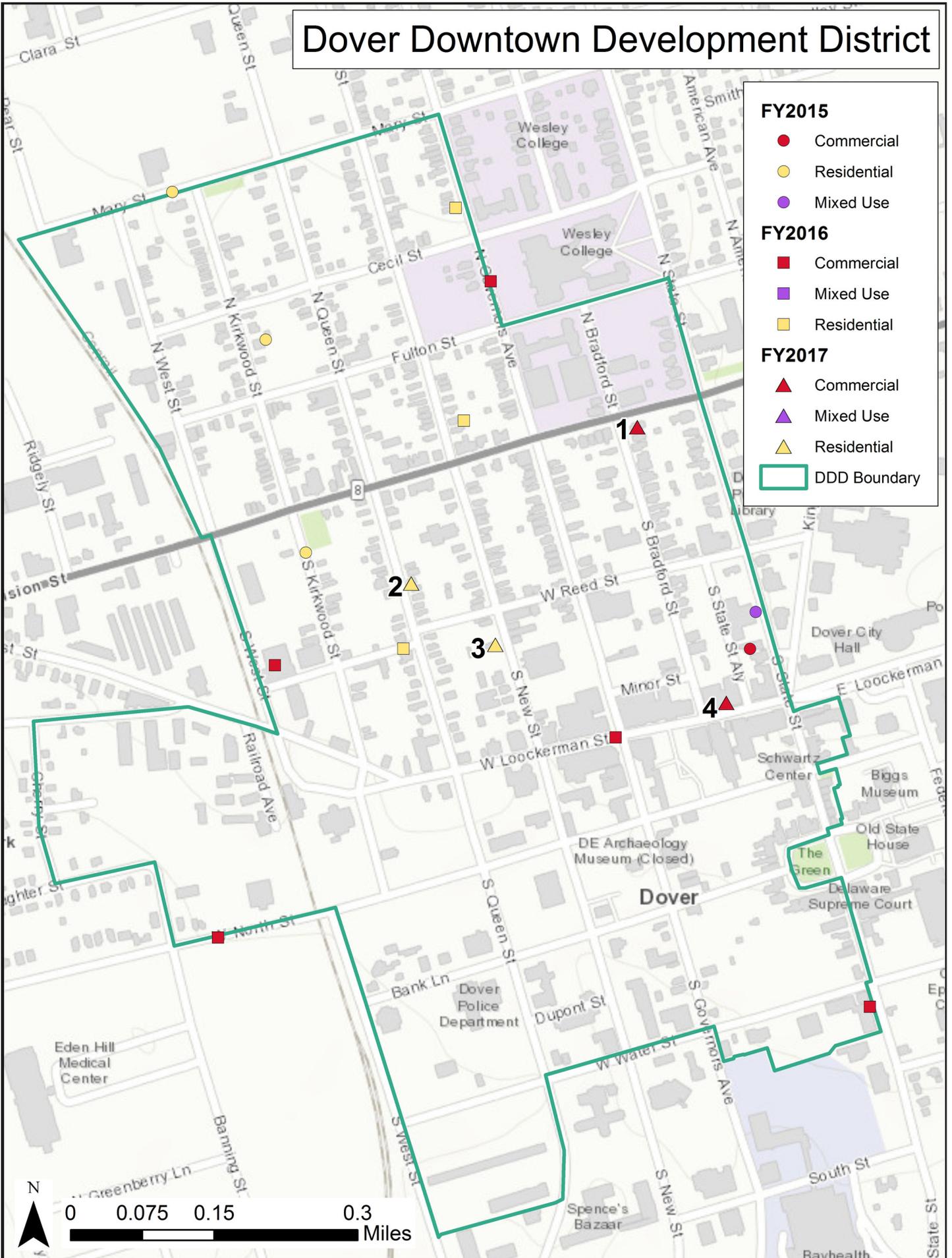
District	Grant Amount	Total Development Cost	Number of Small Projects	Number of Large Projects
Dover	\$1,379,045	\$11,510,114	11	7
Seaford	\$1,370,704	\$17,266,582	8	3
Wilmington	\$13,375,959	\$300,795,059	5	34
Georgetown	\$4,352	\$117,389	1	0
Harrington	\$210,382	\$1,111,909	1	1
Laurel	\$0	\$0	0	0
Milford	\$384,346	\$2,411,993	0	2
Smyrna	\$212,140	\$1,363,200	0	1

MAPS

The following maps display both the Large and Small Projects that were funded over the past three fiscal years. Not all of the projects have been completed. Funding will be disbursed when

Large Projects are completed within the three year mark after approval. The numbers on each map correspond to the numbers next to the project descriptions for each district.

Dover Downtown Development District



DOVER

1



Applicant: One South Bradford LLC
Project Type: Small Project
Eligible Use: Commercial
Total Development Cost: \$91,978
DDD Grant Award: \$18,396
Project Description: Rehabilitation of an existing commercial law office building on South Bradford Street. Large wrap around porch was restored. In addition, significant brick work was completed.

2



Applicant: Central Delaware Habitat for Humanity
Project Type: Small Project
Eligible Use: Residential
Total Development Cost: \$108,147
DDD Grant Award: \$21,629
Project Description: New construction of a single family home on South Queen Street for the purpose of providing affordable homeownership.

3 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: NCALL, Inc.
Project Type: Large Project
Eligible Use: Residential
Total Development Cost: \$137,131
DDD Grant Award: \$27,426
Project Description: Construction of four affordable homes in the Restoring Central Dover area.

4



Applicant: The Moving Experience DE, LLC
Project Type: Small Project
Eligible Use: Commercial
Total Development Cost: \$58,680
DDD Grant Award: \$11,736
Project Description: Rehabilitation of a mixed-use building which houses one commercial tenant and 4 residential tenants.

Seaford Downtown Development District

FY2015

- Commercial
- Residential
- Mixed Use

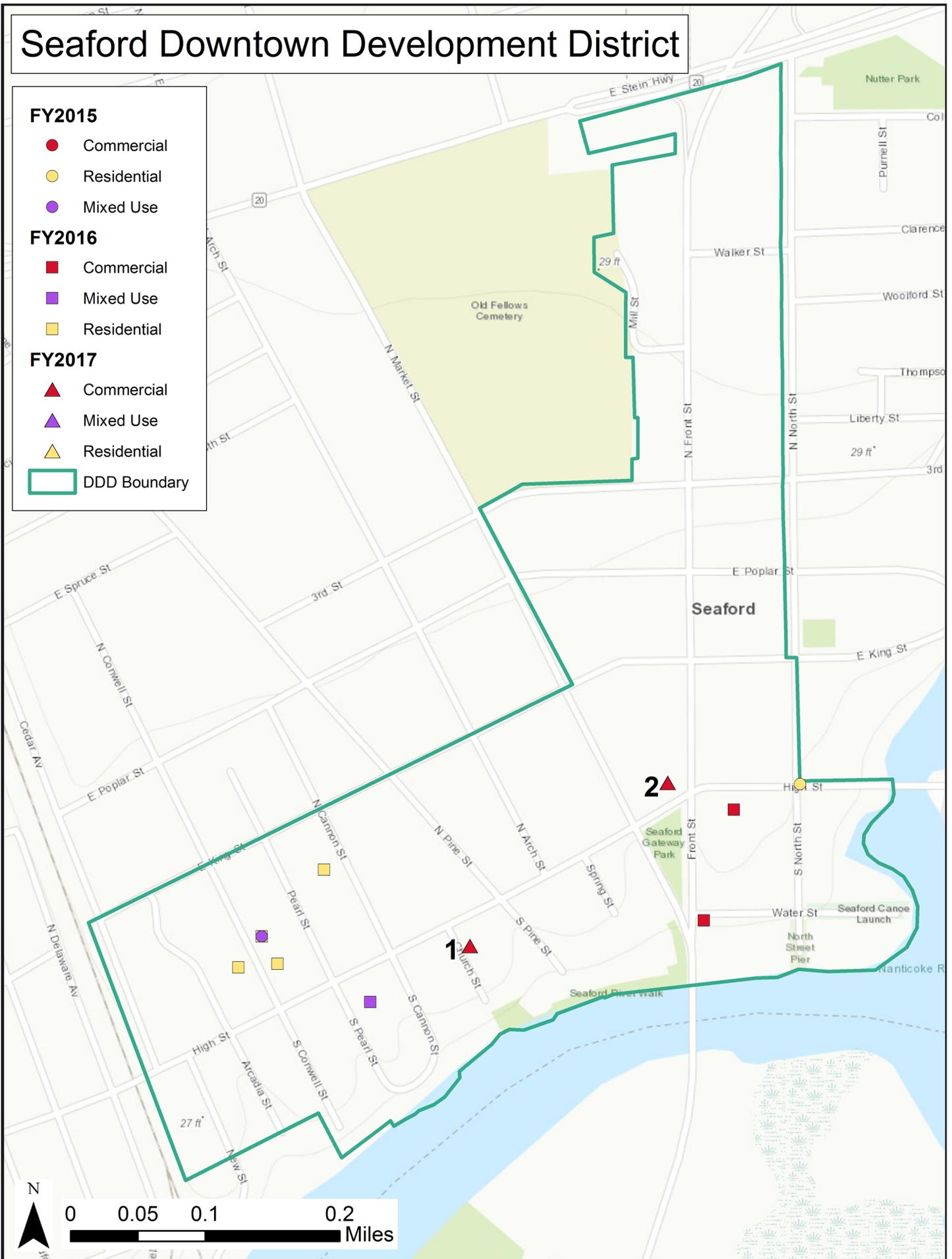
FY2016

- Commercial
- Mixed Use
- Residential

FY2017

- ▲ Commercial
- ▲ Mixed Use
- ▲ Residential

□ DDD Boundary



SEAFORD

1

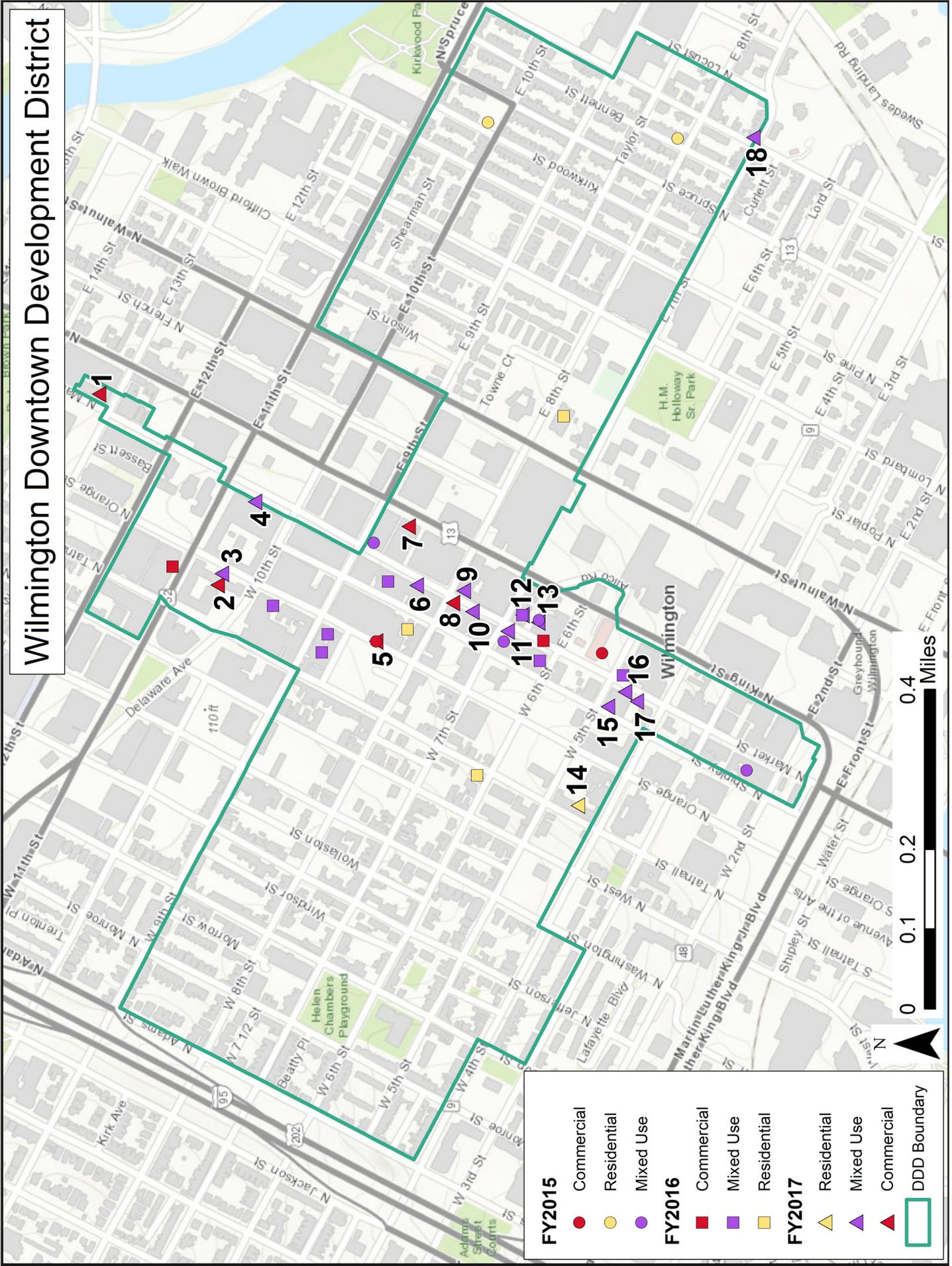


Applicant: Mt. Olivet United Methodist Church
Project Type: Small Project
Eligible Use: Commercial
Total Development Cost: \$98,544
DDD Grant Award: \$19,709
Project Description: Replacement of roof on Church.

2 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: Two Farms, Inc.
Project Type: Large Project
Eligible Use: Commercial
Total Development Cost: \$3,998,000
DDD Grant Award: \$393,000
Project Description: A new convenience store with fuel dispensaries. An existing store and two condemned houses will be demolished. A portion of the property will be donated back to the city to construct a playground.

Wilmington Downtown Development District



FY2015	● Commercial	● Residential	● Mixed Use
FY2016	■ Commercial	■ Mixed Use	■ Residential
FY2017	▲ Residential	▲ Mixed Use	▲ Commercial
	□ DDD Boundary		



WILMINGTON



Applicant: CH Wilmington, LLC
Project Type: Large Project
Eligible Use: Commercial
Total Development Cost: \$13,745,645
DDD Grant Award: \$585,000
Project Description: Adaptive reuse of vacant office building to become an upscale hotel.



Applicant: The Mill Wilmington, LLC
Project Type: Large Project
Eligible Use: Commercial
Total Development Cost: \$3,484,739
DDD Grant Award: \$500,000
Project Description: A renovation of the fourth floor of the Nemours Building. The primary use is commercial space to be used for collaborative business ventures.



Applicant: BPG Office Partners VIII, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$3,236,289
DDD Grant Award: \$500,000
Project Description: Renovation of ground floor retail space into the hotel lobby for the corporate extended stay units in the building.



Applicant: 1007 Market Partners Owner, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$92,123,960
DDD Grant Award: \$1,500,000
Project Description: Gut renovation of the non-hotel portion of the building. The space will be divided into Chemours World Headquarters, The Hotel DuPont, ground floor retail, and office space.



Applicant: Midtown Apartments, LLC
Project Type: Large Project
Eligible Use: Commercial
Total Development Cost: \$31,359,234
DDD Grant Award: \$500,000
Project Description: A mixed-use building including 231 apartments and 12,000 square feet of ground floor retail.



Applicant: 815 Market, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$497,025
DDD Grant Award: \$68,977
Project Description: The renovation of a mixed-use building to include a permanent location for the University of Delaware's Udairy Creamery.



Applicant: Raajipo, LLC
Project Type: Small Project
Eligible Use: Commercial
Total Development Cost: \$221,702
DDD Grant Award: \$44,340
Project Description: Pharmacy is tenant doing extensive renovation of interior space to provide high-end boutique pharmacy.



Applicant: Suzanne H. Kloud, D.C.
Project Type: Small Project
Eligible Use: Commercial
Total Development Cost: \$17,000
DDD Grant Award: \$3,520
Project Description: Various interior repairs, fixing a water leak, and replacing the front door to a commercial property.

9 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: 728 Market, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$2,582,601
DDD Grant Award: \$236,324
Project Description: The renovation of two buildings which will be combined into one. The retail space will be renovated into a restaurant and the upper floors will be converted into 5 walk-up apartments.

10 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: 713 Market, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$5,476,396
DDD Grant Award: \$528,000
Project Description: Renovation of three buildings and parcels which will be combined into one. The historic facades will be maintained. The first floor will have retail while the upper floors will have 11 walk-up apartments.

11



Applicant: 627 N Market, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$492,238
DDD Grant Award: \$68,101
Project Description: Fit out of 627 N Market for Tom's Dim Sum and apartments above.

12 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: 2 East 7th, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$1,518,839
DDD Grant Award: \$214,786
Project Description: Rehabilitation of a historic building into a mixed-use building with a ground floor restaurant and 15 apartments on the upper floors.

13



Applicant: 608 Market, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$460,364
DDD Grant Award: \$60,614
Project Description: The Factory - Fit out of bottom floor to be a business club for fostering innovation.

14



Applicant: Quaker Village Development, LLC
Project Type: Large Project
Eligible Use: Residential
Total Development Cost: \$6,845,032
DDD Grant Award: \$395,276
Project Description: Renovation of a 44-unit tax credit site that would increase the unit count to 45.

15 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: 421 Market, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$418,450
DDD Grant Award: \$56,090
Project Description: Fit out of the first floor retail space in the 422 N. Shipley St. location. The tenant will produce and sell "Hard" Cider.

16



Applicant: 417 Market, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$914,865
DDD Grant Award: \$117,560
Project Description: The retail fit-out ground floor renovation and roof upgrades. The retail space will include a community-sized grocery store and café.

17 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: Han Real Estate, LLC

Project Type: Large Project

Eligible Use: Mixed-Use

Total Development Cost: \$6,900,000

DDD Grant Award: \$585,000

Project Description: Combine four parcels to construct a new building with 24 market rate apartments and 6,200 square feet of retail.

18 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: Eastside Community Builders, LLC

Project Type: Large Project

Eligible Use: Mixed-Use

Total Development Cost: \$978,725

DDD Grant Award: \$154,762

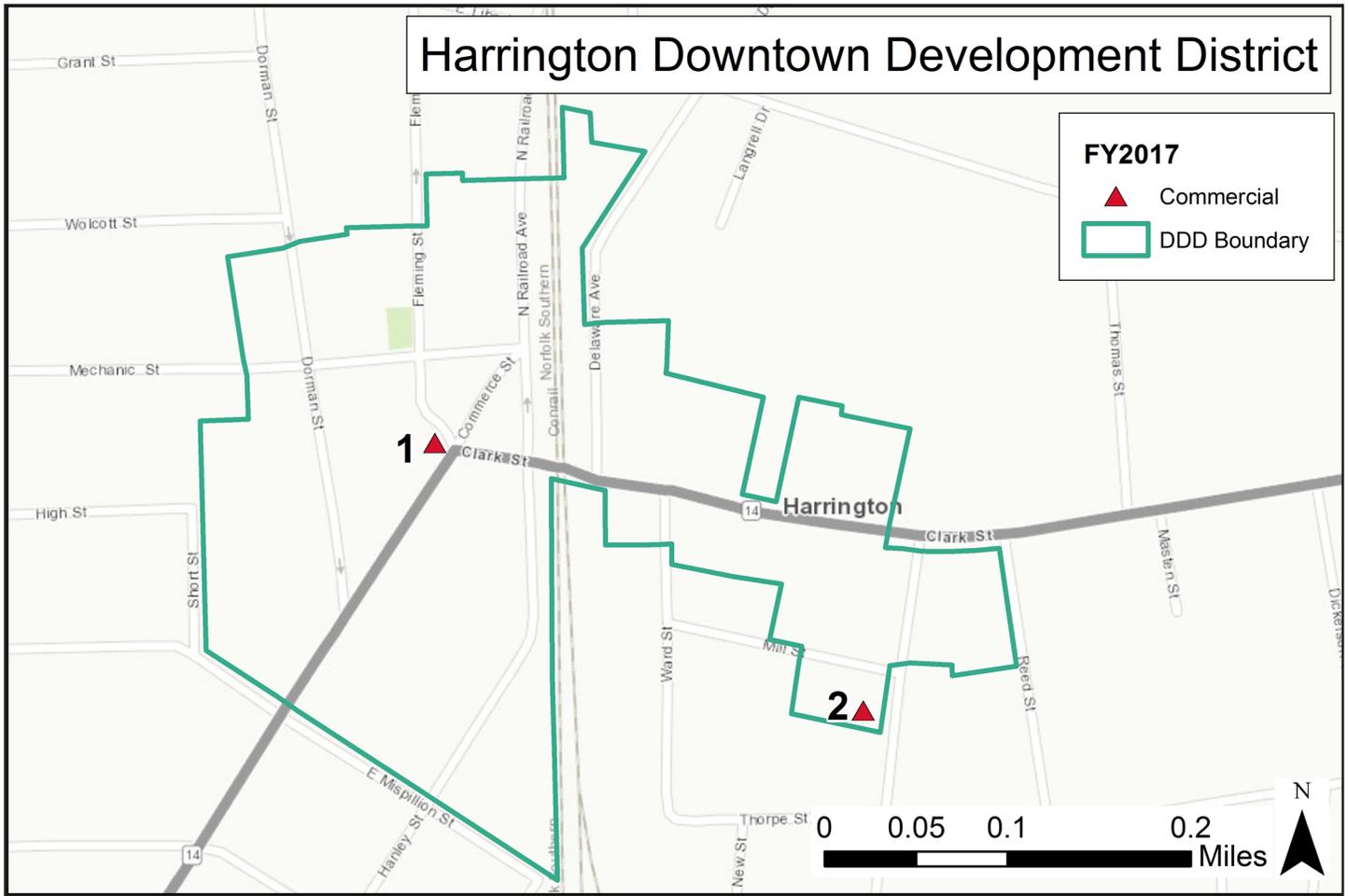
Project Description: Renovation of vacant three story mixed use building to create three rental apartments, a coffee café that will partner with a coffee manufacturer to provide training and employment opportunities.



GEORGETOWN



Applicant: Sussex County Habitat for Humanity
Project Type: Small Project
Eligible Use: Residential
Total Development Cost: \$21,760
DDD Grant Award: \$4,352
Project Description: Rehabilitation of single family home.



HARRINGTON

1 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: Wilmington Savings Fund Society, FSB (WSFS Bank)

Project Type: Small Project

Eligible Use: Commercial

Total Development Cost: \$76,909

DDD Grant Award: \$15,382

Project Description: Interior renovation of existing WSFS bank.

2 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: Connections Community Support Programs, Inc.

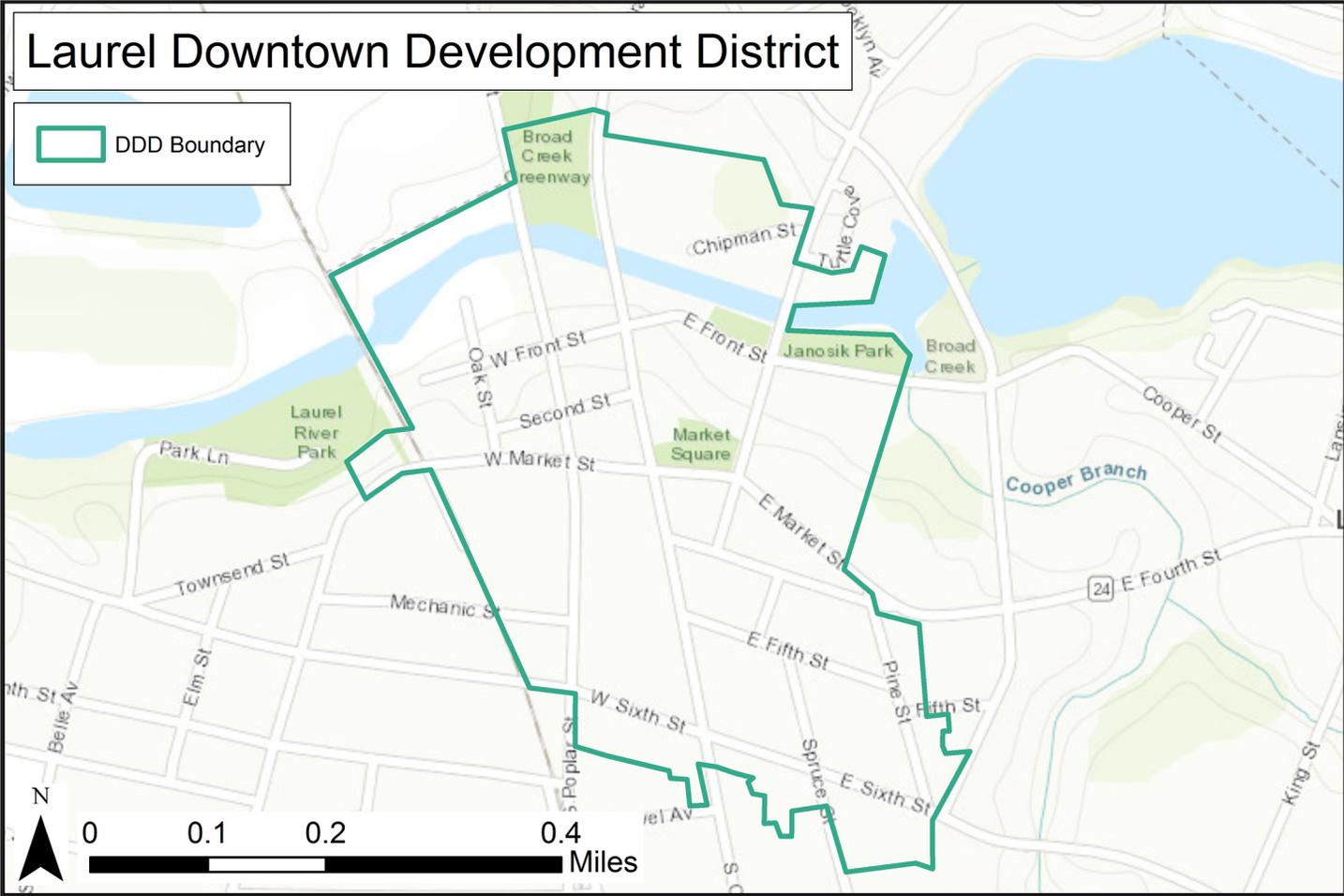
Project Type: Large Project

Eligible Use: Commercial

Total Development Cost: \$1,035,000

DDD Grant Award: \$195,000

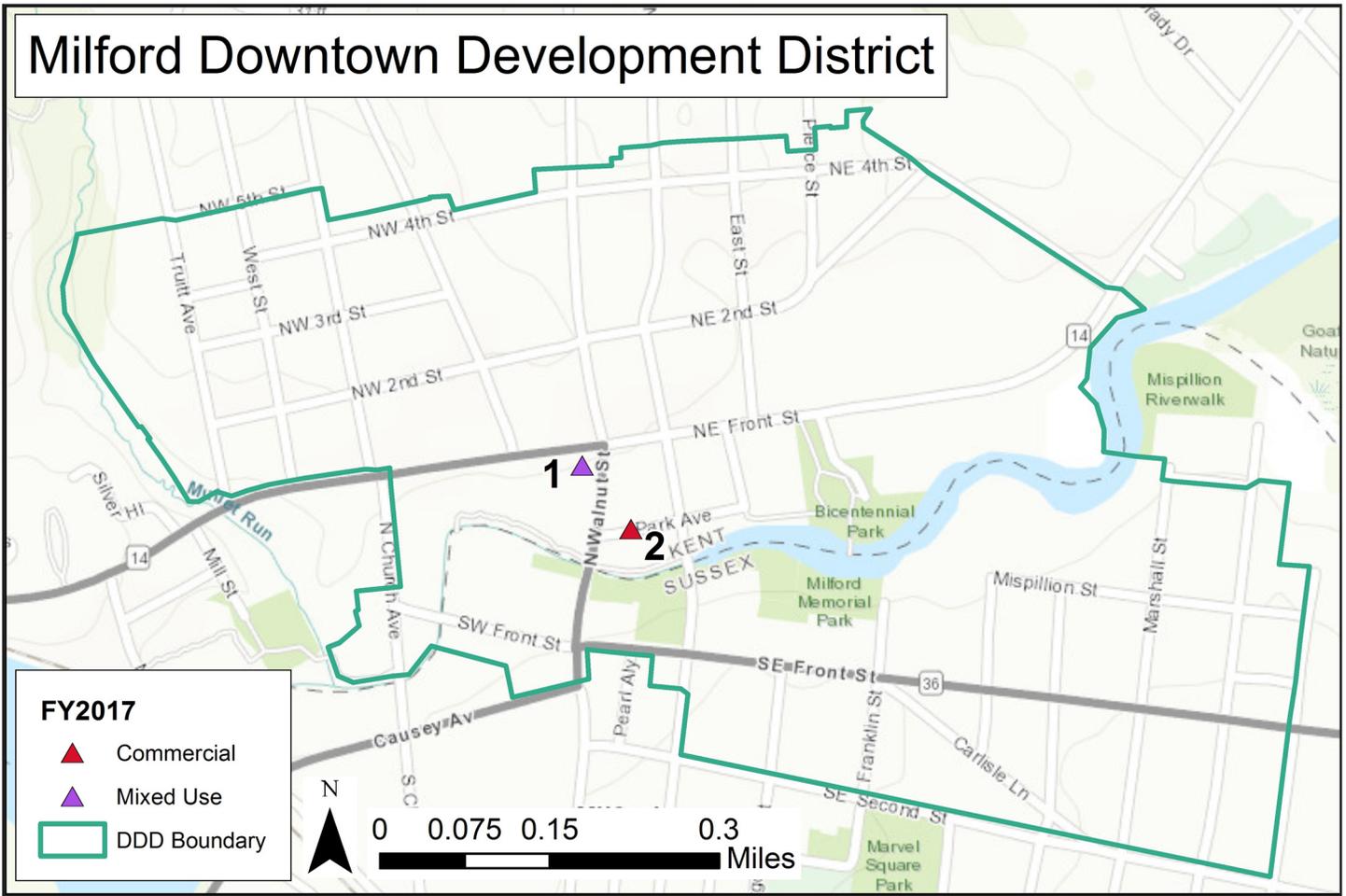
Project Description: A 3,000 square foot expansion of Connections CSP's Withdrawal Management Center to meet the need for service and add a commercial kitchen for job training and employment.



LAUREL

As of Fiscal Year 2017, there have not been any projects in Laurel.

Milford Downtown Development District



MILFORD



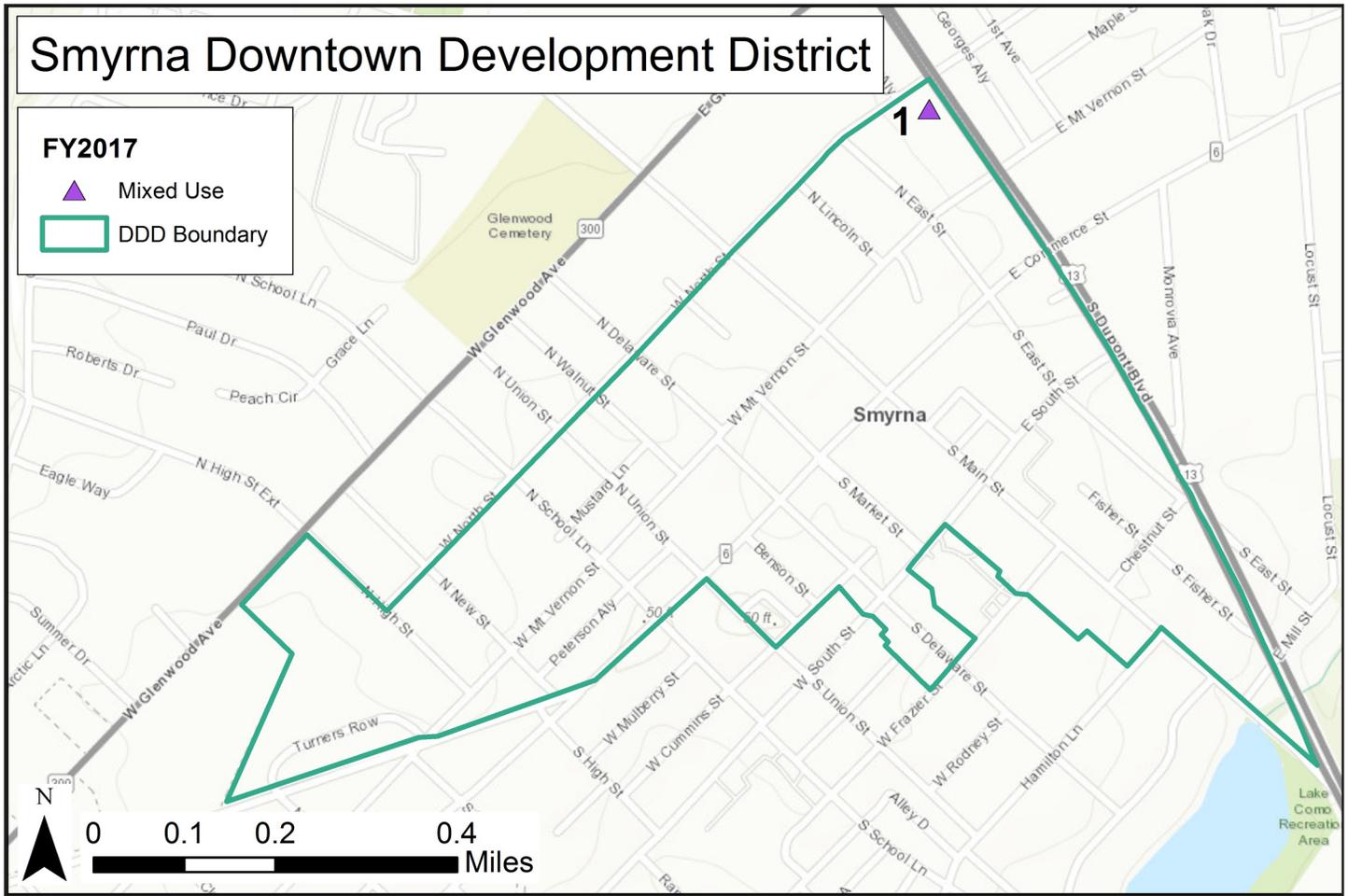
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Applicant: Downtown Properties of Milford, LLC
Project Type: Large Project
Eligible Use: Mixed-Use
Total Development Cost: \$872,768
DDD Grant Award: \$135,554
Project Description: Historic preservation of the Pikus Building, which was built in the 1840s and is the oldest building in downtown Milford.



2

Applicant: Greater Milford Development, LLC
Project Type: Large Project
Eligible Use: Commercial
Total Development Cost: \$1,539,225
DDD Grant Award: \$248,792
Project Description: The renovation of a former department store and roller skating rink to accommodate office, meeting, and storage space for an architectural/engineering firm.



SMYRNA

1 THIS PROJECT IS ABOUT TO BEGIN CONSTRUCTION AND NO PHOTO IS AVAILABLE.

Applicant: ATM Properties, LLC

Project Type: Large Project

Eligible Use: Mixed-Use

Total Development Cost: \$1,363,200

DDD Grant Award: \$212,140

Project Description: The Dairy Sweet restaurant will be demolished and replaced by a mixed-use brick building. The restaurant will continue to operate on the first floor, with additional space for other retail.

LIST OF DISTRICT INCENTIVES

District/Investor	Description
DOVER	
City Impact Fee Waiver	Applies to multi-story, mixed-use; residential; office; and commercial uses.
Property Tax Abatement	10-year abatement of City property tax on the value of improvements.
Business License Fee Waiver	Waives business license fees for new businesses for three years.
City Transfer Tax Rebate	50% transfer tax rebate upon issuance of Certificate of Occupancy within five years of property transfer.
First Time Homebuyer Transfer Tax Waiver	Transfer tax exemption for first time homebuyers if property is used as primary residence.
Historic Property Tax Credits	For exterior of building.
Tax Abatement for Owner Occupied Properties	4-year property tax abatement as long as home is principal residence. The first year is a 100% tax reduction and is reduced 25% each subsequent year.
Architectural Expense Reimbursement	Architectural support services up to \$5,000 for new businesses or expansion.
Façade Improvement Grants	Grants to offset the cost of façade improvements. From the Downtown Dover Partnership.
SEAFORD	
Reinvestment Tax Incentive	Substantial qualifying improvements may receive a 10-year rebate (upfront cash payment) from the City for taxable value of improvements.
C-3 Zoning Administrative Waiver	Mixed-use zoning district encompassing 50-acre Riverfront area that allows for downtown style development.
Fees Reduction	Fee reduction for water capacity charge, downstream sewer assessment and electric system cost recovery fee.
Sidewalk Loan	4-year, no interest loan up to \$2,000 for sidewalk/curb repairs.
C-3 Façade Improvement Program	5-year tax reduction on expenses above \$25,000- cannot exceed 50%. The percentage would equate to the amount of tax reduction the property owner would receive for the 5-year period.
Water and Sewer Tap Fee Relief	Waives the tap fees for water and sewer for Large Project investors.
WILMINGTON	
10-Year City Property Tax Abatement	A property tax abatement program for new construction of housing units and rehabilitation of various structures for housing units in City-authorized urban renewal areas and City enterprise community areas.
Economic Development Strategic Fund	Financial incentives for jobs created and retained within the City.
Housing Strategic Fund/ Housing Development Funds/NSP	Close the financing gap for market rate housing projects when CDBG and other federal funds are not eligible to be used.
City Capital Improvement Program	Economic Development, Infrastructure, and Site Improvement Fund.
Technical Assistance	Technical assistance for private development.
Grow Wilmington Fund	SBA 7(a) loan that offers 3.75% rate for qualified borrowers making investments in downtown that result in new jobs or capital improvements. [city-wide]

Acquisition and Disposition Program	Acquire and dispose of real property acquired through tax foreclosure or through funds obtained from federal community development grants, in order to convey to housing developers for rehabilitation.
Architecture and Engineering Feasibility Assistance	50% match (up to \$20,000) for architectural and engineering feasibility work for for-profit small business developers to explore capital investments in DDD (Total development is capped at \$1 million, program allocation of \$100,000, approval based). [city-wide]
Transportation Corridor Enhancements	Use of City and matching funds to enhance key north-south and east-west transportation corridors.
Head Tax Exemption Program	No head tax shall be due from any employer for any verifiable new employee that either was hired by that employer and deployed to a business location within the City or transferred by that employer from a business location outside the City. First 5 full-time employees are exempt.
Wilmington Urban Development Action Grant Corporation	Acquisition financing.
GEORGETOWN	
Building Permit Fee Reductions	Building permit fees will be reduced based on the value of the improvement. Reductions range from 15% up to 75%. There is a chart illustrating this incentive.
Business License Fee Waiver	Business license fees will be waived for 5 years. Applies to new businesses only.
Façade, Sign, and Awning Grant	Provides a 50/50 matching grant to assist with the needs of building façades.
Impact Fee Reductions	Reductions in the impact fees for water and sewer will be based on the type of use. Commercial projects will see a 20% reduction; mixed-use projects will see a 35% reduction.
Emergency Services and GREAT Fund Reduction	All projects in the DDD will be eligible for a 50% reduction in this fee.
Property Tax Increase Phase-in	Phase-in the property tax increases associated with improvements to a site. A 10% per year phase-in will result in a reduction of taxes over a 10 year period.
HARRINGTON	
Business License Waiver	Waiver of business license for 3 years for new businesses in the DDD.
Impact Fee Waiver for Job Creation	Eligible applicants qualify for impact fee waivers based upon number of jobs created.
Transfer Tax Abatement for First Time Homebuyers	Waiver of City's portion of the realty transfer tax for first-time homebuyers.
Site Plan Fee Reduction	One time reduction of fees (\$200) for any project in the DDD requiring site plan approval (Category A or B). In addition site plan reviews will be expedited (10 day review) for projects located in the DDD (Category A or B).
Impact Fee Waiver for First Four Single-Family Dwellings	Single-family home impact fee waiver.
LAUREL	
Waiver of Town Property Tax on Commercial Improvements	Property taxes on improvements are waived for 5 years from the date a CO is issued.
Minimum Discount of 25% on Available Land Owned by LRC	Applies to projects owned by LRC Board along the Broad Creek waterfront.

Graduated Reduction in Water/Sewer Impact Fees	Water and sewer impact fees up to \$7,000 per equivalent dwelling unit (EDU) qualify. 1 to 3 EDUs- 40% reduction; 4 to 7 EDUs- 50% reduction; 8 or more EDUs- 60% reduction.
Improvement Program to Rehabilitate Residential Structures within the DDD	Promotion of home ownership within the DDD through rehabilitation of homes and acquisition and rehabilitation of vacant properties.
Town Agrees to Deed Over Town Owned Vacant Property	Laurel will donate this parcel to the LRC or a developer for use that realizes the DDD vision and goals.
Purchase and Clean Up of Strategic Parcels within the Ramble	LRC will purchase and remediate two parcels already identified parcels in the DDD for remediation.
Social Media Training for Businesses within the DDD	The town will provide training in marketing and social media to any business to promote them along with the downtown.
MILFORD	
Water, Sewer, and Electric Impact Fee Waivers	Eligible projects may qualify for full or partial waiver of impact fees.
Other Permit and Fee Waivers	Waivers available for projects within the DDD.
Tax Abatements	Rehabilitation projects that increase the assessed value by more than 50% receive full abatement of City taxes for 10 years. Rehabilitation projects that increase the assessed value by less than 50% receive partial abatement of City taxes for 10 years. New residential or commercial construction will receive full tax abatement for 5 years. Properties converted from rental units to owner occupied housing will receive a full tax abatement for 10 years.
Realty Transfer Tax Waiver	Waiver of City realty transfer tax for first-time homebuyers.
Installment Land Contract	Council may enter into installment purchase agreement with developer for sale of city owned land or development projects.
SMYRNA	
Revolving Loan Fund	Funding for loan pool from Rural Economic Development Loan/Grant program.
Discounts of Electric Utility Charges for Qualifying Projects	Metered electric utility charges are discounted by 50% for six months for qualifying projects.
Impact Fees	Full waiver of impact fees (sewer and water, storm drainage, street lights, signage, street maintenance, police protection, code enforcement, and general administrative).
Cap on Permit Fees for Qualifying Projects	Sliding scale permit fee caps for qualifying projects (cap of \$1,129).
Waiver of Town Taxes, Charges, and Fees	Council may waive property taxes, impact fees, permit and/or monthly metered electric utility charge.
Technical Assistance	Business consulting services made available by the Town to businesses.
Adoption of a Vacancy Treatment	Town will assist in finding tenants and/or applying attractive vacancy treatment to "reactivate" space.
Façade Improvement Matching Grant Program	Matching grant for façade improvements. Grants capped at \$5,000.