Spark Downtown

FACADE LOAN PROGRAM

GUIDELINES AND APPLICATION

FACADE LOAN PROGRAM GUIDELINES

I. INTRODUCTION

Spark Downtown, whose mission is to ignite the revitalization of downtowns in the Radius region, believes downtown is the heart and soul of the community and one of the keys to attracting a vibrant workforce. For this reason, Spark Downtown created a Downtown Façade Loan Program to encourage revitalization of the downtown, to stimulate additional private sector investment in the downtown and surrounding area, and to help spur job creation. The program provides loans to downtown property and business owners for the purpose of funding permanent exterior improvements on commercial or mixed use buildings.

II. DESIGN GUIDELINES

All projects should be in compliance with the city of origination downtown design guidelines. All construction is to comply with all building, fire, electrical, plumbing, zoning and subdivision codes adopted by the city/town of origin, including mandatory use of professional design assistance for commercial buildings when required by code. You may be required to get approval through the Historic Preservation Commission. More information is available through the city/town's planning offices. Funding of any project will be contingent on pre-approval by the city/town.

III. ELIGIBILITY

- Be located within designated downtown boundaries of the Spark Downtown eligible towns, villages, and cities in the Radius Indiana Region (Crawford, Daviess, Dubois, Greene, Lawrence, Martin, Orange, and Washington Counties).*
- Demonstrate ability to repay the loan.
- Property taxes must be kept current.
- Provide acceptable design plans for building renovation.

*Some communities within these counties may not be participating.

IV. THE PROGRAM

To qualify for consideration, the project must be located in the downtown business district and result in visible improvement of the overall façade. Eligible uses generally include:

- Masonry repairs and tuck pointing
- Repair/replace/preserve historically significant architectural details
- Storefront reconstruction back to original basis
- Cornice repair
- Power washing
- Exterior painting and stucco
- Awnings and canopies
- Window and door repair or replacement
- Permanent exterior signage integrated into the storefront design
- Exterior lighting
- Repair/replacement of gutters and downspouts
- Façade building code items

Generally, the following items are not eligible:

- Any visible or non-visible roofing repairs or improvements
- Attached, hanging or projecting signs unrelated to the architecture of the building
- Mechanical equipment enclosures (non-visible)
- Parking lots or sidewalks
- Interior renovation and temporary, portable or non-permanent improvements
- Façades not visible from a public right of way
- New building construction or property acquisition
- Expansion of building area or conversion of use
- Working capital or refinance of existing debt
- Improvements in progress or completed prior to loan approval
- Loans of speculative purposes

V. WHERE TO FILE

Applications under the Downtown Façade Loan Program must be submitted on the prescribed form with all pertinent documentation provided. The application must be submitted to:

SPARK DOWNTOWN
C/O RADIUS INDIANA
813 16TH STREET
BEDFORD, IN 47421
(812) 277-9778

VI. CONTENTS OF APPLICATION

The application shall be completed with all requested information. The application shall be accompanied by rendering of the project drawn to scale, which shall include all proposed signage and color schemes. The application shall include verification of the historic preservation commission approval, where required. The application shall also be accompanied by two bonafide estimates of the cost of the proposed façade restoration, which shall be sufficiently specific to compare costs. Copies of the business's last two to three year's financial statements, including profit and loss and financial sheets must also be included.

Spark Downtown reserves the rights to request additional information if it deems the application information is not sufficient to make the decision upon the loan. Any refusal by the applicant to fully cooperate with Spark Downtown concerning any request for information may disqualify the project immediately.

VII. FINANCE TERMS & CONDITIONS

Loans are based on the availability of funds and are made on a first come, first serve basis.

- Loan sizes up to $5,000
- Fixed monthly interest rate at 3.0%
- Repayment terms up to 36 months.
- Unlimited personal guarantees are required for any owner with a 20% or greater ownership interest in the business

Once the applicant has been successful in obtaining approval from the Spark Downtown loan committee for a loan under the Spark Downtown Facade Loan Program, the applicant shall execute a loan agreement which shall address the following conditions:

1. Loan size up to $5,000.
2. The loan proceeds shall only be used for the purposes expressed in section four (IV) of these rules.
3. The applicant certifies to Spark Downtown that it is the fee simple title holder of the property upon which the loan proceeds are being expanded or in the case of a business owner, that the property owner has authorized the application.
4. Counsel or servicing agent for Spark Downtown shall prepare loan documents.

The project shall be 100% completed within six months of the date of loan approval by the Spark Downtown Loan Committee, unless an extension for a maximum of six months is approved.

The loan shall draw 3% interest from the date that the applicant received the final payment of the proceeds of this loan or 12 months from the date of loan approval, which ever first occurs. The loan shall be repaid in 36 monthly installments, plus interest, beginning 30 days from the date interest begins accruing. Payment shall be made payable to Spark Downtown.

The applicant shall also execute a mortgage for security of the loan, as may be required by Spark Downtown (or its agent). Failure to execute any of the documents upon demand shall be cause for immediate rejection of the application and denial of the loan.

The applicant shall certify that the project work shall be completed in compliance with the plans approved by the historic preservation commission, where applicable and all applicable building codes, ordinances and laws of the municipality, the State and the Federal government.

The applicant shall keep and retain invoices, bills of sale, receipts and other documents which shall clearly indicate how the loan proceeds were spent upon the façade restoration project. Such documents shall be made available to Spark Downtown (or its servicing agent) prior to the final distribution of funds. Those documents shall also be retained by the applicant during the life of the loan and shall be provided to Spark Downtown (or its servicing agent) upon request.

The loan proceeds shall be dispersed in the following manner:

Loan proceeds will be disbursed to the applicant in one (1) installment.

The applicant, by excepting the loan proceeds, or any part thereof, agrees to hold Spark Downtown, its board, committees, employees, and agents, harmless from any and all liabilities or claims caused by or resulting from the applicant's performance of the obligations or activities in furtherance of the project work or in the receiving of the loan funds. Further, the applicant will reimburse Spark Downtown for any judgments for findings which may be obtained against Spark Downtown resulting from the project work or the making of such loan. Further, the applicant agrees to defend against any such claims or any legal actions is called upon by Spark Downtown to do so.

Upon the sale of the building, the façade loan applicant must pay the loan in full if the loan has not already been repaid in full.

VIII. CONFLICT OF INTEREST

No employee of Radius Indiana, or members of their families, shall have any interest in, direct or indirect act, or be eligible for this loan program. Radius Indiana board members shall disclose any interest, direct or indirect, on loans Spark Downtown is considering.

IX. NON-DISCRIMINATION DISCLOSURE

Discrimination based on race, color, religion, sex (including pregnancy, sexual orientation, or gender identity), national origin, disability, age or genetic information (including family medical history) is illegal and will not be tolerated.

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APPLICANT INFORMATION

Date of Submission: _____

Company Name: _____

Company Mailing Address: _____

Project Address: _____

Contact Person: _____ Title: _____

Phone Number: _____

Email Address: _____

MANAGEMENT INFORMATION

(owner(s), officers(s), director(s), & shareholder(s) who own 20% or more shares of the company)

Name	Title	%Ownership

FACADE AMOUNT AND TERMS REQUESTED

Amount of Loan: _____

Estimated Costs: _____

Permission to run full credit report: ◯

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APPLICABLE ATTACHMENTS

- ◯ Business tax return of balance sheet/profit and loss statements for last three fiscal years.
- ◯ Scale drawing of proposed facade changes, construction schedule, proposed materials list, and color samples with cost estimates.
- ◯ Recent or historic photo.
- ◯ Personal financial statement and personal tax return for the past two years from the principal owners (owners with 20% or more ownership).
- ◯ Most recent property tax bill.

By signing below, the applicant:

- Certifies that to the best of its knowledge and belief, that the information submitted to Spark Downtown and its agent is true and correct;
- Certifies that the applicant is in compliance with the laws, regulations, ordinances, and orders of public authorities applicable to it;
- Certifies that the applicant is not in default under the terms and conditions of any grant or loan agreements, leases, or financing arrangements with its other creditors;
- Certifies that Spark Downtown, and its agents is authorized to obtain a credit check on any principal or business associated with this application for the purposes of determining credit worthiness;
- Understands that color schemes including paint samples, technical information and designs are required by the design committee, and that said committee will only approve designs that they deem appropriate for the building/business;
- Understands that approved façade changes must be completed within 6 to 12 months of closing date;
- Understands that, if approved, the loan will be secured by Spark Downtown by a mortgage on the property being renovated;
- In the event credit is extended, the applicant agrees to complete a direct payment authorization form allowing loan payments to be electronically debited via automatic clearing house (ACH).

Signature: _____ Date: _____ Title: _____

Print Name: _____ SSN: _____

Signature: _____ Date: _____ Title: _____

Print Name: _____ SSN: _____