

Facade & Building Improvement Fund (FBIFund)

Schuyler, Nebraska

(approved by City Council on 05/16/17)

'An Attractive Business District Attracts Business'

LOAN PROGRAM DESCRIPTION:

- a) Facade & Building Improvement Fund (**FBIFund**) is a **0%** interest loan program for financing improvements to commercial buildings of small businesses.
- b) **\$20,000 Basic Loan Amount:** Minimum **\$ 1,000** ~ Maximum **\$20,000** per building.
- c) **\$25,000 Aggregate Loan Amount (+ \$5,000 Historic Preservation Rebate - see Page 5).**
- d) **10% cash match** required from Borrower.
- e) **Loan Secured:** Loan secured with commercial property (second position acceptable).
- f) **CLTV:** Combined loan-to-value (**CLTV**) of loans (first & second position) not to exceed 75% of commercial building's Loan Value.
- g) **Loan Value Determination:**
 - total cost of building repairs / improvements, or,
 - Colfax County assessed valuation, or,
 - assessed valuation plus costs of repairs / improvements, or,
 - commercial appraisal within past six months
- f) **Eligible Buildings:** Commercial buildings located in Schuyler, NE.
- g) **Eligible Applicants:**
 - owners of commercial buildings located in Schuyler
 - fraternal and nonprofit organizations owning commercial buildings in Schuyler
 - property taxes current for all Colfax County properties owned
- h) **Loan Repayment:** Sixty (**60**) monthly installments in even amounts (five dollar increments). Payment received after the 10th of each month shall incur a **\$25 late fee**.
- i) Approved Borrower may submit a second FBIFund loan request for the same commercial building receiving a previous loan. Repayment of first FBIFund loan shall be current to be eligible for submitting second loan request. Maximum of two FBIFund loans per commercial building and the combined two loan amounts shall not exceed \$14,000.

Note: Based on the availability of funds, not all loan requests will be approved. Loans to fraternal and non-profit organizations funded 100% with JOBS grant (non LB 840 funds ~ City Attorney R. Seckman opinion dated 01/06/12).

Improve appearance, marketability, and extend building's shelf-life!

Eligible Repairs & Improvements:

Note: All planned improvements must comply with Municipal Building Codes.

- facade visible to public
- masonry brick work
- siding repair / replacement
- painting of exterior walls
- abutted concrete to storefronts used for pedestrian sidewalks
- repair / replacement of exterior windows and doors
- new awnings / canopies permanently attached to building
- professionally design / installed signage (includes electrical signage)
- related labor costs
- early detection / warning systems (24 hour monitoring – fire and / or burglary)
- inspection fees by certified professionals for electrical, heating, plumbing and / or overall fire safety of buildings
- repair / new HVAC (heating, ventilation, air conditioning), electrical, plumbing
- roof repair / replacement
- ground water mitigation (e.g., drainage tiles, sump pump)
- foundation repair
- structural repairs
- repair / replace concrete sidewalks adjoining building
- building repairs
- related labor costs
- Historic Facade Preservation (see *Page 5*)

Contact: Economic Development Coordinator
1119 B Street (Homestead Center)
Schuyler, NE 68661

Facade & Building Improvement Fund (FBIFund)

Loan Process:

- 1) **Applicant** completes **Preliminary FBIFund Application** (see *Page 4*) and submits to the Economic Development Coordinator @ 1119 B Street (Homestead Center).
- 2) Applicant's **eligibility** for **FBIFund** loan confirmed by **Economic Development Coordinator** (EDC).
- 3) Additional **administrative requirements** submitted by **Applicant** to EDC:
 - completed **Credit Application, Credit Bureau Report, Federal Tax Return, Proof of Hazard Insurance**
 - **sketched design** of proposed improvements including detailed description of materials and colors (**pre-approval** by **City Building Inspector** required)
 - **Contractor's detailed / accurate cost estimate** of planned improvements including Contractor's name, business address, and telephone number
 - **completion date** of all planned improvements
- 4) **Loan Review Board (LRB)** approves / declines loan request. Board Members (five) appointed by Mayor and approved by City Council.
- 5) **FBIFund Loan Agreement Letter** prepared by EDC and signed by Mayor and approved Borrower.
- 6) Planned improvements **authorized** for completion by **City Building Inspector** and **Building Permit** secured at Municipal Building (1103 B Street, Schuyler). **Building Permit** fee an out-of-pocket expense to Applicant / Borrower (not included with loan).
- 7) Completed improvements approved by **City Building Inspector**.
- 8) **Loan Processing Fee** (title search, Promissory Note, Deed of Trust, legal review) incurred by Borrower and included with FBIFund loan. **Promissory Note** and **Deed of Trust** finalized by City Attorney.
- 9) **City Council** authorizes co-payment to Applicant and Contractor after completed improvements approved by the City Building Inspector.
- 10) **Loan repayment** of sixty (**60**) monthly installments in even amounts (five dollar increments). Payment received after the 10th of each month shall incur a **\$25** late fee.
- 11) **Hazard Insurance** mandatory for the duration of loan. Secured loans require City of Schuyler to be listed on the insurance policy as an 'additional insured'.
- 12) **Sale of building**; payment of loan balance due immediately on sale of building.
- 13) **City of Schuyler** administers **FBIFund** loan repayments.

Note: Depending on the availability of funds, not all requests will be approved for FBIFund loan.

Facade & Building Improvement Fund (FBIFund)

Schuyler, NE

Preliminary Application – Basic Loan Amount

FBIFund is a **0% interest repayable micro-loan** for improvements to commercial buildings located in Schuyler. Loan amount per building improvement is **\$ 1,000** minimum ~ **\$20,000** maximum. Borrower required to provide **10% cash match**. **Loan Processing Fee** (title search, **Promissory Note, Deed of Trust**, legal review) incurred by Borrower and included with loan. Loan repayment is sixty (**60**) monthly installments in even amounts (five dollar increments). **Building Permit** fee an out-of-pocket expense to Applicant / Borrower (not included with loan). **Hazard Insurance** mandatory.

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Name of Applicant: _____
Last Name First Name Middle Name

Social Security Number (SSN): ____ - ____ - ____ Date of Birth: _____

Business Name: _____

Home Address: _____

Business Address: _____

Business Telephone: _____ Business Email: _____

Location of Commercial Building (FBIFund): _____

Applicant is Owner of Commercial Building requesting FBIFund: Yes / No

Estimated Building Improvements: \$ _____

Loan Processing Fee included with loan (title search, **Promissory Note, Deed of Trust**, legal review) \$ 300.00 (*Loan Processing Fee*)

TOTAL \$ _____

Estimated **10% Cash Match**: \$ _____

Estimated **FBIFund** Loan Amount (loan secured): \$ _____ (*\$20,000 maximum*)

Estimated Monthly Repayment \$ _____

Applicant's Signature _____ Date _____

Historic Preservation Rebate (HPR)

Facade & Building Improvement Fund (FBIFund)

'An Attractive Business District Attracts Business'

Overview:

- Commercial buildings located in **Downtown Schuyler Historic District**.
- **\$5,000** additional loan amount by qualifying for **Historic Preservation Rebate (HPR)**.
- **\$25,000 Aggregate Loan Amount** (**\$20,000 Basic Loan Amount** + **\$5,000 HPR**).
- **72 months** repayment of entire **Aggregate Loan Amount** (Basic Loan Amount + HPR).

Eligibility (HPR):

1. **'Contributing'** commercial buildings located in the Downtown Schuyler Historic District and identified in the **National Register of Historic Places Registration Form**.
 - Proposed facade improvements retain building's historic character as **'contributing'** to Downtown Historic District to be eligible for **HPR**.
2. **'Non-contributing'** commercial buildings located in the Downtown Schuyler Historic District and identified in the **National Register of Historic Places Registration Form**.
 - Facade improvements have resulted in the commercial building's return to its original historic character thereby **'contributing'** to the Downtown Historic District.

HPR Requirements:

3. Install early warning fire detection and/or fire suppression system (sprinklers).
4. Hazard insurance required - minimum 90% replacement coverage.
5. Business continuation insurance coverage required.
6. Building compliant with Schuyler Municipal Codes.
7. Annual fire / safety inspection by Fire Department & Municipal Building Inspector.
8. No smoking permitted in building (all floors commercial & residential).
9. Property Owner current on all Colfax County property taxes.

Rebate Amount:

10. **\$500 Historic Preservation Rebate (HPR)** for each \$5,000 of building improvements.
11. **\$5,000** maximum **HPR** per building (up to \$50,000 in Total Building Improvements).
12. Building shall remain compliant with all **HPR Requirements**.
13. **HPR** paid in five equal annual installments beginning 12 months from date of completion.
14. Annual building inspection shall confirm compliance with all Municipal Codes prior to **annual payment** of **Historic Preservation Rebate (HPR)**.
15. **HPR** funded from Historic Downtown Redevelopment / Revitalization Account.

Note: Failure to comply with all **HPR Requirements** (3. - 9.) shall result in the immediate suspension of future **HPR** payments for the remaining years the FBIFund loan is outstanding, and, all previous **HPR** payments shall be returned by the Property Owner via repayment of FBIFund loan.

Loan Repayment Period:

- **72 months** repayment of Aggregate Loan Amount by qualifying for **HPR**.

Funding HPR:

- Historic Downtown Revitalization / Redevelopment Account (LB 840) to fund **HPR**, consulting fees and related expenses.

Note: Failure to comply with all **HPR Requirements** (3. - 9.) shall result in the immediate suspension of future **HPR** payments for the remaining years the FBIFund loan is outstanding, and, all previous **HPR** payments shall be returned by the Property Owner via repayment of FBIFund loan.

Downtown Facade Preservation Committee (FPC)

Purpose: The **Facade Preservation Committee (FPC)** shall ensure the downtown's continued listing in the **National Register of Historic Places (NRHP)** by guiding the preservation of Schuyler's downtown '*contributing*' buildings and its historic structure (Lincoln Highway's brick streets).

FPC Responsibilities:

1. **Facade Preservation Committee (FPC)** shall review / evaluate facade building improvements and the impact on retaining downtown's overall historic character.
2. **FPC** shall advise and recommend to City Council on matters pertaining to the Downtown Historic District and / or the Historic Preservation Rebate (**HPR**).
3. **FPC** shall monitor continuous compliance with all **HPR Requirements** prior to recommending to City Council the release of annual **HPR** payment.

FPC Membership:

Downtown Facade Preservation Committee shall be comprised of eight (8) members:

- ~ Three (3) downtown property owners of '*contributing*' buildings - appointed by Mayor and approved by City Council for three year term
- ~ One (1) member of Schuyler Historical Society
- ~ One (1) member of the DRCDC
- ~ One (1) Board Member of the Schuyler Area Chamber of Commerce
- ~ Executive Director of the Schuyler Area Chamber of Commerce
- ~ Economic Development Coordinator (Schuyler Community Development, Inc.)

Standards & Collaboration:

In accordance with the Secretary of the Interior's '**Standards for Rehabilitation**', **Downtown Facade Preservation Committee (FPC)** shall collaborate with State Historical Preservation Office (SHPO), Nebraska Main Street Network and its District Design Charette Service, and select design consultants.

***** **Example #1** *****

Building Improvements (*contractor's estimate*) \$ 19,500.00 (\$20,000 basic loan amount)
Fire Detection / Early Warning / Suppression (*estimate*) \$ 3,950.00 (\$5,000 **HPR** additional loan amount)
Total Building Improvements = \$ 23,450.00 (\$25,000 aggregate loan amount)

10% Cash Match - \$ 2,345.00 (*Property Owner pays*)

Loan Processing Fee included with loan (title search, Promissory Note, Deed of Trust, legal review) + \$ 300.00 (*Loan Processing Fee*)

FBIFund Loan Amount = \$ 21,405.00

Historic Preservation Rebate (\$500 **HPR** per \$5,000 of Total Building Improvements):

\$23,450 (Total Building Improvements) / \$5,000 = 4.69

4.69 (x) \$500 = \$ 2,345 HPR (\$469.00 HPR paid annually)

Monthly Loan Repayment: \$ 297.29 (72 months ~ loan secured)

***** **Example #2** *****

Building Improvements (*estimate*) \$ 19,800.00 (\$20,000 basic loan amount)
Early Fire Detection / Warning / Suppression (*estimate*) \$ 0.00 (*ineligible for HPR*)

Total Building Improvements = \$ 19,800.00

10% Cash Match - \$ 1,980.00 (*Property Owner pays*)

Loan Processing Fee included with loan (title search, Promissory Note, Deed of Trust, legal review) + \$ 300.00 (*Loan Processing Fee*)

FBIFund Loan Amount = \$ 18,120.00

Historic Preservation Rebate (*ineligible*)

Monthly Repayment: \$ 302.00 (60 months ~ loan secured)

***** **Example #3** *****

Building Improvements (*contractor's estimate*) \$ 49,000.00 (\$20,000 basic loan amount)
Fire Detection / Early Warning / Suppression (*estimate*) \$ 3,950.00 (\$5,000 **HPR** additional loan amount)

Total Building Improvements = \$ 52,950.00 (\$25,000 aggregate loan amount)

10% Cash Match - \$ 5,295.00 (*Property Owner pays*)

Loan Processing Fee included with loan (title search, Promissory Note, Deed of Trust, legal review) + \$ 300.00 (*Loan Processing Fee*)

FBIFund Loan Amount = \$ 25,000.00 (*max. loan amount*)

Building Owner's Total Expense = \$ 28,250.00

Historic Preservation Rebate (\$5,000 maximum **HPR**)

\$52,950 (Total Building Improvements) = \$5,000 HPR (\$1,000.00 HPR paid annually)

Monthly Loan Repayment: \$ 347.22 (72 months ~ loan secured)

Historic Preservation Rebate (*HPR*)
Facade & Building Improvement Fund (FBIFund)

Preliminary Application – Aggregate Loan Amount (*HPR*)

HPR (FBIFund) is a **0% interest repayable loan** for improvements to commercial buildings located in **Downtown Schuyler Historic District**. **Aggregate Loan Amount** per building improvements up to **\$25,000** maximum. Borrower required to provide **10% cash match**. **Loan Processing Fee** (title search, **Promissory Note, Deed of Trust**, legal review) incurred by Borrower and included with loan. Loan repayment is seventy-two (**72**) monthly installments in even amounts (five dollar increments). **Building Permit** fee an out-of-pocket expense to Applicant / Borrower (not included with loan). **Hazard Insurance** mandatory.

Rebate Amount \$500 for each **\$5,000** of building improvements. Maximum Rebate Amount \$5,000 per building (up to \$50,000 in Total Building Improvements). See *Page 5*.

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Name of Applicant: _____
Last Name First Name Middle Name

Social Security Number (SSN): ____ - ____ - ____ Date of Birth: _____

Business Name: _____

Home Address: _____

Business Address: _____

Business Telephone: _____ Business Email: _____

Location of Commercial Building (FBIFund): _____

Applicant is Owner of Commercial Building requesting FBIFund: Yes / No

Contributing Building to Historic District: Yes / No

Building Improvements (*estimate*): \$ _____

Fire Detection / Early Warning / Suppression (*estimate*) \$ _____

Total Building Improvements \$ _____

Loan Processing Fee included with loan (title search, **Promissory Note, Deed of Trust**, legal review) \$ 300.00 (*Loan Processing Fee*)

TOTAL \$ _____

10% Cash Match (*estimate*) - \$ _____

HPR (FBIFund) Loan Amount (*estimate*) \$ _____ (*\$25,000 maximum*)
Loan Secured

Monthly Repayment (*estimate*) \$ _____

Rebate Amount (*estimate*) \$ _____ (see *Page 5*)

Applicant's Signature _____ Date _____