



Incentive Loan Program

PROGRAM PURPOSE

Community Improvement of Algoma would like to thank you for expressing your interest in the Incentive Loan Program. This program was developed to promote the continued use and maintenance of the downtown commercial buildings. It is intended to assist property owners and business owners alike in the rehabilitation and restoration of existing structures, particularly the visible street-side exteriors. Facade improvements are required to meet criteria for appropriateness of design as outlined in the program's Design Guidelines.

ELIGIBLE PROPERTIES

To be eligible for a low interest loan, a building must be used in whole or in part for commercial purposes and must be located within the Algoma Main Street target area.

FACADE IMPROVEMENT LOAN

The buildings play a crucial role in the development of a unique character for the downtown as a whole. Thus, quality restoration acts to enhance the visual appearance of the downtown which is essential to the success of business, encouraging reinvestment, and ultimately, economically healthy for Algoma. These loans are intended solely for the improvement of the building facades including right of ways (alleys and rear) to that end.

ELIGIBLE IMPROVEMENTS

Some eligible improvements include:

- ❖ Canopies (where appropriate)
- ❖ Signs
- ❖ Painting
- ❖ Shutters and Awnings
- ❖ Service doors and windows
- ❖ Building facades
- ❖ Masonry cleaning and repair
- ❖ Stairs, porches, railings, etc.

The following are examples of items NOT eligible under a Facade Improvement Loan:

- ❖ Permit fees and related costs
- ❖ Sidewalks
- ❖ HVAC, plumbing, and electrical wiring or upgrades
- ❖ Elevators
- ❖ Sweat equity
- ❖ Business working capital
- ❖ Parking lot resurfacing

BUILDING IMPROVEMENT LOAN

The Building Improvement Loan is intended for interior renovation, structural repairs, and other needs necessary to meet the objectives of the program, for example, professional design (above and beyond design assistance offered through the program) and handicapped improvements.

These loans are not subject to design review in the same capacity due to the fact that specific businesses may dictate interior design. However, recommendations may be made toward sensitivity to historical elements remaining throughout the buildings, consideration for business turnover, and the effectiveness of “change of look” periodically to stimulate repeat business.

LOAN AMOUNTS

Facade Loans range from \$5,000.00 to \$125,000.00

Building Improvement Loans not to exceed \$25,000.00

LOAN TERMS AND CONDITIONS

1. The interest rate for both Facade and Building Improvement Loans will be prime minus ½ - 2-year fixed with 2 renewal periods, for a total of 6 years. The rate during the 6 years will not be below 4% or above 8%. Rates after the 6-year period will be adjusted to current market rates.
2. Loans are subject to Main Street Design Review prior to funding eligibility. Upon acceptance, the applicant will be directed to their bank of choice.
3. All loans are subject to the participating banks underwriting criteria.

PARTICIPATING BANKS

- ❖ Baylake Bank of Algoma
- ❖ F & M Bank of Algoma
- ❖ North Shore Bank of Algoma
- ❖ Bank of Luxemburg – Algoma Branch

PROCESS FOR SUBMITTING A LOAN APPLICATION

1. Discuss the project with the Main Street Manager.
2. Develop plans for the project. Drawings, sketches or plans of the building should illustrate all proposed work. For example, this would include facade renovation, signage, color scheme and so forth. Also required is a listing of all materials and methods to be used.
3. Solicit bids for the project. This should include itemized cost estimates for each improvement and a construction work schedule.
4. Submit all afore mentioned information and the completed application to the Main Street office.
5. The Main Street Design Review Committee will approve plans. Approval of plans will be verified on the application form and forwarded to the applicant and the lender of choice. Approval must be accomplished before the lender will loan funds for the project.
6. The lending institution will disperse funds based on construction loan criteria. Before an applicant can receive dispersal, a member of the Design Review Committee or the Main Street Manager must inspect completed work. The lender will be notified of approval and the applicant will present invoices to verify costs.
7. If the project deviates from the approved design plan, notification will be given to the lender to halt disbursement of the loan. If discrepancies are reviewed and resolved, the loan will be resumed. If not, the loan will be called in and/or priced at conventional rates. If a change is anticipated, contact the Main Street office to review the changes for approval/disapproval by the Design Committee.



INCENTIVE LOAN PROGRAM APPLICATION

APPLICANT DATA:

Name _____
 Home Address _____
 Phone: Work _____ Home _____ Fax _____
 Business name _____
 Business address _____

COMMITTEE ACTION:

Date received _____	Date reviewed _____	Change requested _____
<input type="checkbox"/> Approved		<input type="checkbox"/> Approved
<input type="checkbox"/> Approved with conditions *		<input type="checkbox"/> Approved with conditions
<input type="checkbox"/> Denied		<input type="checkbox"/> Denied

IN PROGRESS INSPECTIONS:

Date _____ Inspected by _____
 Date _____ Inspected by _____
 Date _____ Inspected by _____
 Date _____ Inspected by _____
 Completion date _____
 Final inspection date _____ Inspected by _____
 Status:

- In accordance with approval
- Not in accordance with approval (must be satisfied prior to final approval)

Date of Final Approval _____ **Issued by** _____

* List below or attach conditions: