

DOWNTOWN FAÇADE LOAN PROGRAM



ELEVATE
RAPID CITY

I. INTRODUCTION

Elevate Rapid City, whose mission is to Elevate the Rapid City Region for all, believes downtown is the heart and soul of the community and one of the keys to attracting a vibrant workforce. For this reason, Elevate 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. THE PROGRAM

To qualify for consideration, the project must be located in or near the Downtown Business District (page 7) and result in visible improvement of the overall façade (e.g. not just a small sign replacement or minor roof repair). 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 down spouts
- Façade building code items
- Visible roof repairs
- Non-visible roof repairs in conjunction with a visible façade improvement
- Visible sidewalk restoration adjacent to building's facade
- Architectural, engineering, or design fees

Loans are based on the availability of funds and are made on a first come, first served basis. Elevate may loan funds at low interest for up to ten (10) years. Additionally, loans may be amortized for up to twenty (20) years, but will require a balloon payout of all remaining principal at the end of ten-year period. Loans will cover a maximum of ninety percent (90%) of the approved improvement costs and to a maximum of Fifty Thousand Dollars (\$50,000). Elevate Rapid City may authorize loans in an amount greater in unusual or extraordinary circumstances. The program cannot be used for facade restoration that has already been started or completed before the facade loan application has been approved, and loan documents signed.

III. INELIGIBILITY

Generally, the following items are not eligible:

- Non-visible roofing not in conjunction with a visible façade improvement
- Attached, hanging or projecting signs unrelated to the architecture of the building
- Mechanical equipment enclosures (non-visible)
- Parking lots
- 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 refinancing of existing debt
- Improvements in progress or completed prior to loan/grant approval
- Loans for speculative purposes

IV. DESIGN GUIDELINES

All projects should be in compliance with the Rapid City's Downtown Design Guidelines. All construction must comply with all building, fire, electrical, plumbing, zoning and subdivision codes adopted by Rapid City, 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's Planning Office at (605) 394-4120 or sarah.hanzel@rcgov.org. Funding of any project will be contingent on pre-approval by the city.

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 electronically to: grants@elevaterapidcity.com.

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's approval, where required. The application shall also be accompanied by two (2) 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.

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

VII. TERMS AND CONDITIONS OF THE LOAN

Once an applicant has been successful in obtaining approval from the Elevate Loan Committee for a loan under the Elevate Rapid City Downtown Façade Loan Program, the applicant shall execute a loan agreement which shall address the following conditions:

1. Maximum loan amount is \$50,000.
2. The loan proceeds shall only be used for the purposes expressed in Section II of these rules.
3. The applicant certifies to Elevate Rapid City that it is the fee simple title holder of the property upon which the loan proceeds are being expended or in the case of a business owner, that the property owner has authorized the application.
4. The applicant certifies that the loan proceeds will constitute no more than ninety percent (90%) of the funding for the façade restoration project.
5. Counsel or servicing agent for Elevate Rapid City shall prepare loan documents.
6. The project shall be one hundred percent (100%) completed within six (6) months of the date of loan approval by the Elevate Loan Committee, unless an extension for a maximum of six (6) months is approved.
7. The loan shall draw one percent interest from the date that the applicant receives the final payment of the proceeds of his loan or twelve (12) months from the date of loan approval, whichever first occurs. The loan shall be repaid in monthly installments, plus interest, beginning thirty (30) days from the date interest begins accruing. Payments shall be made payable to Elevate Rapid City.

8. All loans shall be amortized over a period of no greater than twenty (20) years from the date that the applicant receives the final payment of loan proceeds.
9. The applicant shall also execute a Guaranty Agreement, Mortgage, Security Agreement, or such other agreement or document for security for the loan, as may be required by Elevate Rapid City (or its agent). Failure to execute any of said documents upon demand shall be cause for immediate rejection of the application and denial of the loan.
10. 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.
11. 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 Elevate Rapid City (or its servicing agent) prior to the final disbursement of funds. Those documents shall also be retained by the applicant during the life of the loan and shall be provided to Elevate Rapid City (or its servicing agent) upon request.
12. The loan proceeds shall be disbursed in the following manner:
 - 1) Loan proceeds will be disbursed to the applicant in two (2) installments. The first installment shall be in the amount of fifty percent (50%) of the loan and shall be provided to the applicant when, in the sole opinion of the City's Chief Building Official and/or Elevate Rapid City that the façade restoration project of the applicant is fifty percent (50%) complete. The final payment of the loan proceeds shall be provided to the applicant when the façade restoration project of the applicant is, in the opinion of the Chief Building Official and Elevate Rapid City, one hundred percent (100%) complete.
13. The applicant, by accepting the loan proceeds, or any part thereof, agrees to hold Elevate Rapid City, 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 Elevate Rapid City for any judgments for findings which may be obtained against Elevate Rapid City resulting from the project work or the making of such loan. Further, the applicant agrees to defend against any such claims or legal actions if called upon by Elevate Rapid City to do so.
14. Upon sale of the building, the façade loan applicant must pay the loan in full if the loan has not already been repaid in full.

X. CONFLICT OF INTEREST

No employee of Elevate Rapid City, or members of their families, shall have any interest in, direct or indirect, or be eligible for this loan program. Elevate Rapid City Board members shall disclose any interest, direct or indirect, on loans Elevate is considering.

APPLICANT INFORMATION	
Name of Applicant	
Applicant's Business Name*	
Mailing Address	
Home Phone	
Business Phone	
Location of property where façade restoration is proposed <i>(Municipal Street Number)</i>	

**if applicable*

WHO IS THE BUILDING OWNER?	
Name	
Address	
Phone	

If the owner of the building is a corporation or a partnership, please provide the names, addresses and telephone numbers of all officers or managing partners.

NAME	ADDRESS	PHONE

- For how many façades are you requesting a loan?

- What is the total estimated cost of your proposed façade restoration project? _____
- What is the exact amount of the loan that you desire from Elevate Rapid City? _____
- Attach two (2) bonafide estimates of the cost of your proposed project. The estimates must be sufficiently specific to allow the Elevate Rapid City to review the materials proposed to be used in the project.
- Attach a rendering of your proposed project. It must be drawn to scale and include all proposed signage and color schemes.
- Attach copies of the business's last two to three year's financial statements, including profit and loss and financial sheets.
- Attach a copy of verification that the proposed improvements have been approved by the Design Review Subcommittee/Planning Commission.
- I hereby certify that the answers to the questions set forth hereinbefore are true and accurate to the best of my belief and knowledge.



**DOWNTOWN FAÇADE
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Signature of Property Owner or Business Owner	Date

I hereby authorize _____ to file an application under the Façade Loan Program in the amount of _____.

Signature of Property Owner	Date

The application must be submitted to: grants@elevaterapidcity.com.

