



Façade and Building Improvement Fund (FBIFund)

Schuyler, NE (Approved by Schuyler City Council 5/16/2017, amended 6.15.2021)

"An Attractive Business District Attracts Business"

The Façade & Building Improvement Fund (FBIFund) is a 0% interest loan program for financing improvements to commercial buildings of small businesses located in Schuyler, Nebraska.

LOAN INFORMATION:

Interest: 0% interest loan for financing improvements to commercial buildings of small businesses.

Loan Amount: Minimum \$ 1,000 ~ Maximum \$30,000 per building.

Forgivable Loan: A forgivable loan program is available to property owners and tenants within Schuyler. The maximum forgivable portion of the loan is 25% of the total approved façade and building improvement up to \$5000.00 maximum. This forgiveness would be at the end of the loan. The purpose of this forgivable loan is to restore, improve or create historic architectural features to the faces of the buildings.

As an example, a \$20,000 project is over 5 years (60 months). 10% down payment \$2000. The loan amount is \$18,000 with a monthly payment of \$300. At month 43 the balance of the loan would be \$100.00 with the balance being forgiven. Example: Payment \$300 x 43 months = \$12,900. Month 44 the payment would be \$100. $\$12,900 + 100 = \$13,000$. $\$13,000 + \$5000 \text{ forgivable} = \$18,000$.

Maximum Loan Amount Possible: Up to \$30,000 maximum loan amount

Loan Terms & Repayment: Sixty (60) monthly installments in even amounts, due on the first of every month. Payments received after the 10th of each month shall incur a \$25 late fee. Automatic payments will be set up with the City of Schuyler.

Cash Match: 10% cash match is required from the Borrower.

Secured Loan: Loan will be secured with commercial property (Second position acceptable).

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LOAN INFORMATION:

Combined Loan-to-Value (CLTV): CLTV of loans (first and second position) not to exceed 75% of the commercial building's loan value.

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

Eligible Buildings: Commercial buildings in Schuyler, Nebraska.

Eligible Applicants: Owners of commercial buildings located in Schuyler or the two-mile zoning jurisdiction of Schuyler. Must be current on all property tax for all Colfax County properties owned. Fraternal and nonprofit organizations owning commercial buildings in Schuyler. **Must be current on all property tax for all Colfax County properties owned.**

Application:

- Applications must include actual bids or estimates which equal or exceed the grant funds requested.
- Bids or estimates must be from, and work must be completed by, a contractor registered with the City of Schuyler.
- Costs of materials are also eligible for reimbursement if the property owner provides the labor. Applications must pay for the work and/or materials and submit to the City all receipts for work completed and for materials purchased.

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 loan amounts shall not exceed \$30,000

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

Eligible repairs and improvements:

Note: All planned improvements must comply with Schuyler municipal building codes.

- Façade 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 /structural repairs
- Repair/replace concrete sidewalks adjoining building
- Building repairs
- Related labor costs

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1119 B Street (Homestead Center)

Schuyler, NE 68661

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Loan Process:

1. Applicant completes Preliminary FBIFund Application (see Page 5) 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. After eligibility is confirmed and conveyed to application, additional documents must be submitted by applicant to Economic Development Coordinator:

Completed Credit Application, Federal Tax Returns 2 years, (2 Most Recent years of personal or business) 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) will meet and approve or decline loan request. (Board Members (five) appointed by Mayor and approved by City Council.)

5. Applicant will be notified by EDC if loan request is approved or declined.

6. If approved, FBIF Fund Loan agreement Letter will be prepared by EDC and signed by Mayor and approved Borrower.

7. Planned improvements need to be authorized for completion by City Building Inspector and a Building Permit secured at Municipal Building (1103 B Street, Schuyler). Building Permit fee is an out-of-pocket expense to Applicant / Borrower and is not included with loan.

8. Completed improvements approved by City Building Inspector.

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9. Borrower lets SCD know that improvements are completed and the building inspector has approved. Then loan documents will be prepared. The Loan Processing Fee (title search, Promissory Note, Deed of Trust, legal review) incurred by Borrower is paid upfront. The fee of \$300 includes Promissory Note and Deed of Trust which will be finalized and prepared for signatures by the City Attorney.

10. After completed signatures on legal documents and completed improvements approved by City Building Inspector, City Council will authorize co-payment to Applicant and Contractor.

11. Loan repayment of sixty (60) monthly installments in even amounts (five-dollar increments) will begin six months after loan closing date. Payment received after the 10th of each month shall incur a \$25 late fee. Automatic payments will be set up with the City of Schuyler. There is no penalty for early loan payoff.

12. The forgivable portion of the loan will be applied at the end of the loan. The maximum forgivable portion of the loan is 25% of the total approved facade and building improvement up to \$5000.00 maximum. The maximum forgivable portion of the loan is \$5000 or a maximum of 25% of the total loan.

13. Hazard Insurance is mandatory for the duration of loan. Secured loans require City of Schuyler to be listed on the insurance policy as "loss payee". Please provide City of Schuyler a copy of hazard insurance policy and update each year until loan is fully repaid.

14. If the building is sold before the loan is repaid, payment of loan balance is due immediately on sale of building. The forgiveness portion of the loan will be null and void.

15. City of Schuyler administers FBIFund loan repayments.

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

Façade and Building Improvement Fund (FBIFund) 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 ~ \$30,000 maximum. There is a forgivable portion of the loan up to 25% of the total approved façade and building improvements up to \$5000 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.

Full Name of Applicant: _____

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): \$ _____

Estimated Monthly Repayment: \$ _____

Applicant's Signature: _____ Date: _____