

- Loan recipients are required to seek at least two bids for all portions of a project. The award calculations will be based on the lowest bid – any contractor may be chosen to complete the work.
- For eligible permanent exterior improvements: the program scale applies up to 50-percent of project costs – \$15,000 maximum award per approved project (maximum of 2 EDA-approved projects per PID – multiple addresses per PID); or
- For eligible permanent interior building improvements: up to 20-percent of project costs - \$15,000 maximum award per PID.

The applicant will be notified by Staff as to the status of their application via email following the scheduled EDA meeting.

Contracting Procedures and Requirements

All applicants awarded funds will be required to execute loan documents including a Promissory Note and Repayment Agreement. **Please note:** No work may begin on a project until award approval is received and all required loan documents have been executed.

No changes to the scope of the project will be allowed without the execution of a “Change Order” approved by the owner, contractor, and Community & Economic Development Staff. Furthermore – additional HPC review and approval may also be required.

Work must be completed within one-year from the date of the program award. Exceptions may be made for weather-related delays, changes in contractors for non-performance, or other natural disasters.

Loan Disbursement

The award is a deferred loan and will be forgiven after the five (5) year compliance term. Program awards will be secured with an executed Repayment Agreement and Promissory Note. Payments to the awardee will be made only after the work is completed and receipts or contractor lien waivers have been submitted.

Maximum Award Amount:

For approved exterior improvements, up to \$15,000 per approved project with a maximum of 2 EDA-approved projects per PID (multiple address per PID); or

For approved interior improvements, up to \$15,000 per PID.

When Requesting for Disbursement:

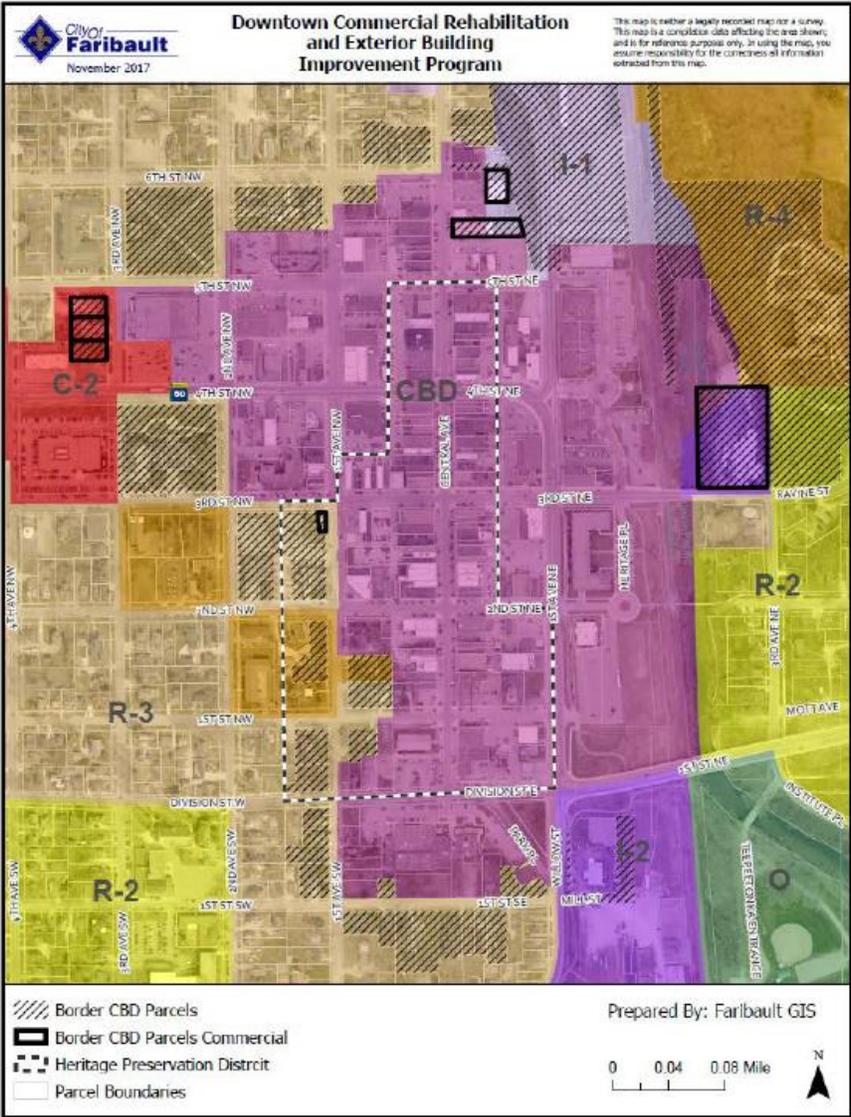
- Applicant must submit proof of work completed in order to be reimbursed. This proof must include date, description of work and materials, amount paid, payee and payer. A lien waiver is preferred, but a paid invoice with proof of payment is acceptable.
- Applicable projects must have an approved inspection of work completed before receiving disbursement. Please contact the Building Code Division at 507-333-0357 to make an appointment.

Reimbursement Disbursement Schedule for Program Award*	
Provide Receipts for Full Project Costs (Equity + EDA Funds)	EDA Funds Paid in Full to Owner
Provide Receipts for Owner Equity + ½ EDA Funds	½ EDA Funds Paid to Owner
Provide Receipts for Owner Equity + Second ½ EDA Funds	Second ½ EDA Funds Paid to Owner

- * Please note:
- a) Funds will be disbursed on a reimbursement basis – based on submitted receipts.
 - b) Owners’ equity must be the first funds used before EDA can release funds.
 - c) EDA funds will be disbursed incrementally (½) or in one-lump sum payment upon completion of project.

Loan Repayment

Deferred loan will be immediately due and payable in the event that the owner sells or otherwise transfers all of his/her/their ownership interest in the property within five (5) years of the date of the Agreement.



2023 Downtown Commercial Rehabilitation & Exterior Improvement Program – Application

Prior to submitting an application – applicants are encouraged to meet with Community & Economic Development Staff to review the program guidelines and proposed project.

Please contact Economic Development Coordinator at:
507.333.0388 or smarkman@ci.faribault.mn.us

Application Information

Applications must be submitted by the property owner(s) of the building.

Name(s) of Property Owner/Applicant		
Telephone Number:		
Email Address:		
Mailing Address:		
City:	State:	Zip:

Property Information		
<i>This Program is open to all commercial properties within the Central Business District and commercial addresses immediately adjacent the District – as shown on the attached map.</i>		
Address(es) of Eligible Property:		
Parcel ID (PID):		
Original Year of Construction:		
Business/Occupant(s):		
Has this property previously received public financing?	Yes	No
Has the applicant defaulted on any public financing in the last two years?	Yes	No
Are there any liens or judgements on the property?	Yes	No
Are the property taxes paid/current?	Yes	No

Project Information

Eligible expenses are limited to:
Permanent exterior improvements
Permanent façade improvements
Permanent interior improvements

Estimated Total Cost of proposed Rehabilitation and/or Façade Improvements:
(based on attached estimates)

Requested Loan Amount:
(based on Program scale)

Description of Proposed Improvements / Project

Justification / Impact of Project within Commercial Business District

Identify how the improvement is going to positively impact the Commercial Business District. Examples: Cleaning up façade disrepair; Preserving the building’s structural integrity; Creating a positive visual impact to the Downtown, Code compliance work.

Data Practices Act

The information that you supply in your application to the City of Faribault/Faribault EDA (“City”) will be used to assess you eligibility for financial assistance. The City will not be able to process your application without this information. The Minnesota Government Data Practices Act (Minnesota Statutes, Chapter 13) governs whether the information that you are providing to the City is public or private. If financial assistance is provided for the project, the information submitted in connection with your application will become public, except for those items protected under Minnesota Statutes, Section 13.59, Subdivision 3(b) or Section 13.591, Subdivision 2.

I/We have read the above statement and agree to supply the information to the City with full knowledge of the matters contained in this notice. I/We certify that the information submitted in conjunction with the application is true and accurate.

Property Owner/Applicant

Date

Co-Property Owner/Applicant

Date

City Staff or other authorized representative of the City shall have the right to inspect the property to be improved at any time from the date of application upon giving notice to the owner and to occupants.

I/We certify that all statements on this application are true and correct to the best of my/our knowledge. I/We understand that any intentional misstatements will be grounds for disqualification.

I/We have read the City of Faribault’s Downtown Commercial Rehabilitation and Exterior Improvement Program Policy and will abide by the rules and regulations set forth in the policy adopted on May, 21, 2020.

I/We authorize program representatives the right to access the property to be improved for the purposes of the deferred loan program and to take photographs of the structure before and after rehabilitation.

I/We understand that I/we are responsible for obtaining appropriate building permits and Certificate of Appropriateness. In the case of improvements that do not require a city-issued building permit, the applicant must submit the name and state license number of the contractor completing the work and agree to an inspection of the work by a city building official.

I/We further understand that I/we will make the final selection of the improvements to be made with the loan funds and that the contract for improvements will be solely between me and the contractor(s). The administering agency will not be liable for the inadequate performance of the contractor(s).

Property Owner/Applicant

Date

Co-Property Owner/Applicant

Date

Acknowledgements	
Please initial each to confirm that you have read and understand the program policy and guidelines.	
	I/We understand that awards are based on eligibility, availability, and completeness of application – approval is at the sole discretion of the EDA.
	I/We understand that I/We can only receive one award at a time (only one project – building/PID at a time).
	I/We understand that I/we have one year from the date of the loan award to complete the project and request payment of loan funds.
	I/We understand that the loan award funds will be dispersed upon receipt of paid invoices for the project and proof of payment at the end of the project.
	I/We are the owner of the commercial property to be improved.
	I/We are current with mortgage, real estate taxes, and insurance payments.
	I/We understand that if we have defaulted on a publically funded program or have been delinquent on loan payments for a publically funded program within the last two years, I/we are not eligible for this program.
	I/We understand that the building must be free of all lien and judgments.
	I/We understand that if the building is located within the HPC district – the project must receive approval by the Heritage Preservation Commission prior to the start of work.
	I/We understand that an inspection of the property will be conducted to determine that the proposed improvements are necessary for the building to conform to current code and property maintenance ordinances.
	I/We understand that I/we will be required to sign loan documents upon award, including a Promissory Note and Repayment Agreement.
	I/We understand that the loan will be forgiven if I/we maintain ownership of the building for five (5) years.
	I/We understand that if I/we sell the building or otherwise transfer all ownership interest within five (5) years – the loan must be repaid in its entirety.

Property Owner/Applicant	Title	Date
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Co-Property Owner/Applicant	Title	Date
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