

**CHIPLEY REDEVELOPMENT AGENCY
REVOLVING LOAN PROGRAM
APPLICATION**

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Loan Application must be accompanied by a non-refundable \$25 application fee.

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LOAN AMOUNT REQUESTED:

\$ _____

APPLICANT INFORMATION:

Name _____

Address _____

Phone: Work _____ Home _____

PROPERTY TO BE RENOVATED:

Address _____

RENOVATION WORK PROPOSED: (Please attach Contractor Scope of Work, Cost Estimated, Building Permit and Certificate of Appropriateness from Landmark Commission, if applicable)

ADDITIONAL PRIVATE FUNDS USED: (Please state amount of additional funds to be used and description of work)

COMPLIANCE: I have read, understood and will comply with the terms of this loan application

Date

Property Owner Signature

CHIPLEY REDEVELOPMENT AGENCY

COMMERCIAL REVITALIZATION LOAN PROGRAM RULES

Amended: 1/01/2015

SECTION 1: PURPOSE

Loans in this program are available for the purpose of appearance improvement, structural integrity and upgrading of health and safety features of all commercial buildings within the targeted area. Eligible properties must be located within the boundaries of the area described and certified as the Chipley Redevelopment Area.

SECTION II: AMOUNT LIMITATION AND TERMS

1. The maximum amount of a single loan shall be \$20,000. A property owner may obtain more than one loan providing that the loans are for identifiably separate buildings or for the same building, if funds are available and there are no other qualified applicants.
2. Funds will be available for new construction, renovations, improvements, structural integrity and upgrading work "to be done," and will not be available for work "already completed," at time of application request. The intent is to help facilitate work to be started and monitored by the CRA.
3. The loan interest rate shall be two percent (2%) per year, for a maximum term of seven (7) years. The principal may be paid anytime during the loan term without penalty. Repayment will be in monthly installments, made payable to the CRA and mailed or delivered to the City of Chipley, P.O. Box 1007, Chipley, FL 32428, by the date established in the closing documents.

SECTION III: SECURITY

The loan shall be secured by a note and mortgage. It shall be subordinated only to previously existing mortgage(s). But under no circumstances shall the CRA mortgage position be lower than third mortgage.

SECTION IV: ELIGIBILITY

To qualify for said loan, the property owner must prove to the satisfaction of the CRA Board of Directors that the proposed repairs and/or remodeling plans address one or more of the following conditions:

1. Lack of vermin screening and sealed openings to protect buildings from rodent infestation.
2. Lack of adequate fire-related separations and barrier between buildings to impede fire spread in the urban area.
3. Lack of fire and smoke control barriers between floors and protecting exit corridors.
4. Lack of required fire exits and stairs with proper clearance.
5. Lack of fire protection of openings facing adjacent buildings and roofs.
6. Lack of handicapped access and egress.

7. Substandard electrical wiring and service & brought up to brought up to current applicable code.
8. Violation of required light and ventilation standards for public buildings.
9. Lack of required restrooms for the public and the handicapped.
10. Lack of required fire protection systems for commercial buildings: smoke alarms, sprinklers, extinguishers, etc.
11. Violation of building code stair design standards.
12. Violation of fire protection standards for structural system's.
13. Violation of flame spread and smoke development regulations for interior materials.
14. Lack of exit signs and emergency illumination.
15. Violation of structural framing standards.
16. Other health and safety code violations as may be determined by the local building inspector under the existing local commercial building codes.
17. Interior repairs necessary to correct defects affecting the structural integrity of the building.
18. Building facades or other exterior improvements affecting appearance.
19. If facades are in good order, funds may be used for interior renovation of permanent parts of the building, i.e., walls, ceilings, floor (not coverings).
20. Roof repairs.

SECTION V: APPLICATION AND APPROVAL PROCESS

1. Applications for loans will be submitted to the Chipley Redevelopment Agency using attached loan request format, prior to commencement of any work.
2. A \$25 non-refundable application fee must accompany the application to cover the cost of proposed work project inspection. Also required are the following documents: Cost Estimate from Contractor with List of Materials, and Building Permit. The CRA Board may at its discretion utilize credit reports, property assessment values, mortgage positions, and/or liens as provided by the Tax Collectors Office during consideration of all applications.
3. All scope of work must begin within 6 months from date of approval.
4. The CRA Director will check for completeness of the application and schedule the project inspection.
5. The CRA Director will present the application to the CRA Board of Directors for approval/disapproval at the next available meeting of the Board.

6. Following approval by the CRA Board, the application will be delivered to the CRA Attorney for preparation of note and mortgage and closing. Cost of closing will be paid by borrower. Concurrently, staff will prepare a check request to the City for transfer of loan funds to the CRA Attorney Escrow Account. Funds for the project will be dispersed at closing and interest accrual will begin.
7. Following completion of the project, the borrower will notify CRA Director and a final inspection will be scheduled. Borrower will provide documentation (paid receipts, building permit and inspection reports), for expenditures in accordance with approved application at final inspection. Failure to complete renovations and provide documentation as approved by the CRA will be considered a default under the terms of the note and mortgage and the principal and accrued interest will be immediately due and payable. The CRA shall have the option to initiate foreclosure on the note and mortgage in the event the borrower fails to immediately repay the amounts (principal and interest:) in full. NOTE: Borrower is responsible for obtaining necessary, building permits for the project.

SECTION VI: PRIORITIZATION OF APPROVED APPLICANTS

Eligible applicants will be ranked by the CRA Board as follows:

1. First priority to applicants that have not previously received funding from this program for this property and who document matching funds for other concurrent improvements to the specified property.
2. Second priority to applicants that have not previously received funding from this program.
3. Third priority to applicants that have previously received funding for this specified property.

NOTE: In the event of multiple qualified projects, the CRA will further judge applications on the severity of need for the repairs (i.e., health and safety, etc.).

SECTION VII: REVOCATION

The loan agreement shall include a provision of loan revocation should the terms of thereof not be adhered to. Such revocation shall include, but is not necessarily limited to, the following:

1. Loan funds were wholly or partially utilized for some purpose or purposes other than reasons for which said loan was granted, or;
2. Failure to comply with program requirements.

SECTION VIII: PROGRAM INCOME

Funds from loan repayments will be returned to the revolving loan account for additional loans within the Redevelopment Area.

SECTION IX: AMENDMENTS

This program may be amended by majority vote of the Chipley Redevelopment Agency Board of Directors.