



HISTORIC FAÇADE IMPROVEMENT PROGRAM

PROGRAM PURPOSE:

- To offer incentives and assistance to property owners in the downtown target area to make exterior improvements that reflect a historic character

PROGRAM GOALS:

- Improve the visual appearance and aesthetics of Main Street by create a historic downtown feeling
- Revitalize Main Street by encouraging a ‘historic’ style of architecture in the downtown target area
- Restore buildings to historic appearance as closely to historic photos when possible (1878-1948)

ELIGIBLE PROPERTIES:

- Eligible properties must be located within the eight-block downtown area of which the boundaries are Estey on the west, Spring on the east, and include frontage on Main Street (to the alley)

FREE TECHINCAL ASSISTANCE:

- Technical assistance / historic architectural services will be provided by the City for a project proposal and preliminary cost estimate to determine best design for your property
- Applicant must submit a formal application to initiate the City to engage the services of an architect

USE OF FUNDS:

- Façade materials and construction
- Windows and Doors
- Awnings
- Signage
- Lighting
- Landscaping

STRUCTURE OF FUNDING:

- 35% Loan
- 35% Grant (vested after payment of loan)
- 30% Equity

MAXIMUM AVAILABLE:

- Maximum up to \$21,000 loan *and* \$21,000 grant with \$18,000 equity (for a total project of \$60,000)

EXAMPLES

If total project is.....	\$ 60,000	\$ 50,000	\$ 40,000	\$ 30,000	\$ 20,000	\$ 10,000
The 35 % loan is...	\$ 21,000	\$ 17,500	\$ 14,000	\$ 10,500	\$ 7,000	\$ 3,500
And 35% grant is...	\$ 21,000	\$ 17,500	\$ 14,000	\$ 10,500	\$ 7,000	\$ 3,500
And 30% owner equity is...	\$ 18,000	\$ 15,000	\$ 12,000	\$ 9,000	\$ 6,000	\$ 3,000
Estimated monthly payment at 2% rate, 7yr term is...	\$ 269	\$ 224	\$ 179	\$ 134	\$ 90	\$ 45

Questions? Contact Holly Sammons, EDA Director, at hsammons@cityofluverne.org or 507-449-5033

TERMS:

- Loans can be amortized over the lesser of seven (7) years or the life of the security, depending on the type of asset, subject to approval by the LEDA Board

INTEREST RATE:

- The interest rate will be at a rate determined by the EDA

LENDING CRITERIA:

- Applicant must have ownership interest in the property
- Loans will not exceed the level of funding available in the RLF
- A mortgage and note will secure all loans, and personal guarantees may be required
- If the recipient sells or transfers title to the property within a five-year period, immediate pay off of the loan will be required.
- Work cannot commence until the loan/grant have been approved, and should be completed within 120 days, weather permitting.

FEES AND OTHER COSTS:

- \$100 non-refundable application fee paid upon submission of the application
- Applicant is responsible for all out of pocket costs incurred in processing and closing the loan to include, but not limited to: mortgage filing fees (\$46.00), mortgage registry tax (\$2.30 per thousand), and applicants attorney fees, etc.

PROCESS TIME:

- The Loan Review Committee and Heritage Preservation Commission will review all applications for recommendation to the EDA Board for final approval. The EDA meets the second Tuesday of each month, so final applications must be submitted 3 weeks prior to allow time for review.
- Please allow 30-60 days from receipt of completed application including project proposal, project bids, financial statements, and tax returns.

DISBURSEMENT PROCESS:

- Applicant must submit all invoices upon completion of the project to request reimbursement
- Applicant must submit proof that their 30% equity contribution has been paid before the grant/loan funds will be issued.
- After an inspection by the City/EDA to verify completion of the work, a check will be issued. Please allow a minimum of 7 days from the time invoices are submitted for reimbursement checks to be issued.



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LUVERNE ECONOMIC DEVELOPMENT AUTHORITY
305 E LUVERNE ST. LUVERNE, MN 56156
PH: 507-449-5033

HISTORIC FAÇADE IMPROVEMENT PROGRAM
APPLICATION

PROPERTY OWNER NAME: _____

PROPERTY OWNER ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

PHONE: _____ EMAIL: _____

ADDRESS TO BE IMPROVED: _____

PARCEL NUMBER : _____

BRIEF DESCRIPTION OF PROPOSED PROJECT: _____

CONTRACTOR NAME: _____

TOTAL PROJECT COST: _____

Table with 3 columns: LOAN AMOUNT REQUESTED (35%), GRANT AMOUNT REQUESTED (35%), OWNER EQUITY CONTRIB (30%)

I understand that I am applying for public funds and any information submitted with this application may be subject to public disclosure pursuant to Government Data Practices Act, MN Statute, Chapter 13.

I certify this information to be true and correct to the best of my knowledge under penalty of perjury.

I have read and am within the guidelines of the Historic Façade improvement Program. I understand that any deviation from my project proposal must be pre-approved.

I understand that work cannot begin until my project is formally approved by the EDA Board.

Authorized Signature: _____ Date: _____

DOCUMENTATION NEEDED:

	RECEIVED	REVIEWED
Project Proposal from Architect (Image)		
Contractor Bids/Quotes of the Project		
Profit and Loss (existing business)		
Financial Projections (new business)		
Balance Sheet / Personal Financial Statement		
Business / Personal Tax Return		
Abstract of Title or Warranty Deed w/ legal description		
Property Tax Statement		
\$100 Application Fee		

LEDA USE:

LOAN AMOUNT	
TERM	
RATE	
LOAN COMMITTEE REVIEW	
HPC REVIEW	
LEDA BOARD APPROVAL	
CLOSING DATE	
GRANT AGREEMENT	
PROMISSORY NOTE	
MORTGAGE	
PERSONAL GUARANTEE (Corp)	
RECORDED AT COURTHOUSE	
LOAN START DATE	