

Lake Minnequa Façade Improvement Program

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Introduction and Program Description

The Urban Renewal Authority of Pueblo (URAP) has established a Lake Minnequa Façade Improvement Program that provides financial assistance to property owners seeking to renovate or restore their exterior facades and other relevant aesthetic improvements (see “Eligible Improvements”). The Program’s objectives are to improve the physical appearance of independent businesses and enhance the viability of businesses located within the Lake Minnequa Urban Renewal Project Area (see “Building Eligibility”). The Program provides a below market interest rate loan in an amount up to \$50,000; matching grant opportunities in conjunction with a loan in an amount not to exceed 50% of the total façade improvement project, including a Program loan and all private loan(s) and equity secured by the Applicant, for the funding of well-designed improvements that will coordinate all the important features of the storefront into a more attractive image. This may include the restoration of facades, enhanced public access, architectural details, improvement of windows and doors, site demolition and preparation, environmental rehabilitation, surface parking improvements, landscaping, and well-proportioned signage and lighting. Improvements made prior to written approval of a proposed design by the URAP’s Façade Improvement Committee will not be funded. Deviations from the strict requirements of the scope of general improvements may be considered and approved by the Façade Improvement Committee for good cause shown and where strict adherence is not compatible with the intent and purpose of the program.

Eligible Improvements

Improvements shall be oriented to the pedestrian and provide visual interest both day and night. Effort should be made to facilitate access into the building and to create a building identity unique to Pueblo and consistent with the building’s surrounding architecture. The following improvements are eligible for financing:

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1. Restoration of details in historically contributing or significant buildings, and removal of elements which cover architectural details;
 2. Site demolition and site improvement associated with a new construction project;
 3. Environmental remediation such as soil contamination and asbestos abatement;
 4. Window display areas which are appropriately scaled and which facilitate night viewing;
 5. Window replacement and window framing visible from the street which are appropriately scaled to the building;
 6. Signage that is attractively integrated into the architecture of the building, including the window area, awnings or canopies, and entryways;
 7. Lighting that is visually appealing and appropriately illuminates signage, storefront window displays, improves area safety, and recessed areas of a building façade;
 8. Awnings or canopies that can be both functional and visually appealing;
 9. Landscaping features attached to the building where appropriate, such as window boxes or planters, as well as landscaping located in the public right-of-way;
 10. Cleaning, paint removal, repainting, and/or residing of buildings;
 11. Street grade entrances which contribute to the active edge along streets;
 12. Removal of barriers to public accessibility;
 13. Sidewalk and surface parking repair; and
 14. Deviations from the strict requirements of the scope of general improvements may be considered and approved by the Façade Improvement Committee for good cause shown and where strict adherence is not compatible with the intent and purpose of the program.

Design Guidelines

The below guidelines shall be considered during the loan approval process by the URAP's façade Improvement Committee. Non-conforming improvements, pursuant to municipal and regional zoning and building codes, shall not be considered.

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1. Every reasonable effort shall be made to provide a compatible use for the property with the Lake Avenue Corridor Plan, including: landscaping, sidewalk dimensions, building orientation, parking orientation, and other details applicable to the Plan.
 2. Distinctive stylistic features or examples of skilled craftsmanship that characterized a building, structure, or site shall be treated with sensitivity.
 3. Masonry restoration shall adhere to National Parks Service and Secretary of the Interior standards for rehabilitation.
 4. Contemporary design for alterations and additions to existing properties shall not be discouraged when such alterations and additions do not destroy significant historical, architectural or cultural material, and such design is compatible with the size, scale, color, material, and character of the property, neighborhood or environment.

Loan/Grant Details

1. Eligibility Criteria:
 - a. To the extent legally possible, special preference will be given to locally owned businesses.
 - b. Applicant must own the property on which improvements are intended, and must not be in default of taxes. Applications will be accepted from those who intend to purchase a property and renovate post closing. URAP funding shall not be made available prior to applicant obtaining title.
 - c. Properties zoned as Agricultural, Residential 1, or Residential 2 pursuant to the City of Pueblo's land use code are not eligible for funding.
 - d. Loans/Grants are subject to availability of funding.
 - e. Funding shall not be made available to properties located outside of the Lake Minnequa Urban Renewal Project Area (see "Building Eligibility").
2. Loan Amount: Loans may be considered/approved up to \$50,000.
3. Grants may be considered/approved up to 50% of the total façade improvement project, including a Program loan and all private loan(s) and equity secured by the Applicant, and shall only be disbursed in conjunction with an approved loan.
4. Loan Fees: Unless applicant wishes to fund fees up front, an origination fee of 1.25% of the total approved loan and grant amount and an underwriting fee of \$350 shall be calculated onto the principal amount of approved loan and grant.
5. Loan Term: A maximum loan term of 10 years may be considered.

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6. Loan to Value of Improvements: Loans may be considered up to 75% of the value of total eligible improvements up to 25% of all loans, liens, mortgages, and other encumbrances to value of the property. Unless provided otherwise with an appraisal not more than one year old, the value of the property shall be determined utilizing data on file with the Pueblo County Assessor.
 7. Repayment/Deferment: Loans shall be repaid monthly upon completion of improvements. Borrowers are eligible to defer payment(s) for a period not to exceed six (6) months directly following completion of construction. For the period of deferment, accrued interest shall capitalize upon the principal of the loan.
 8. Underwriting Requirements:
 - a. A preferred credit score of 650, unless otherwise approved by the URAP.
 - b. Evidence of personal and/or business generated revenue that exceeds the total of the following by 115%: 1) monthly operating expenses (including labor and utilities), 2) prior mortgage(s) and/or general indebtedness, and 3) the debt service on the requested loan amount.
 - c. Borrower shall provide lender with personal guaranty, lender reserves the right to place a lien on borrower's property.
 9. Interest Rate: Subject to section 7(b) above, interest rate may be adjusted to adequately coincide with the applicant's debt capacity and value of proposed improvements. Interest shall be fixed and shall not exceed prime less 200 basis points, or an amount to the current US Bank one (1) year certificate of deposit.
 10. Draw Requests: Upon closing, an escrow account shall be established for disbursement of loan proceeds and, if applicable, grant proceeds. Signatories on said account shall be an URAP representative and the applicant. Draws shall be made upon receipt of documentation of completed items as confirmed by a URAP representative.

Loan/Grant Application Process

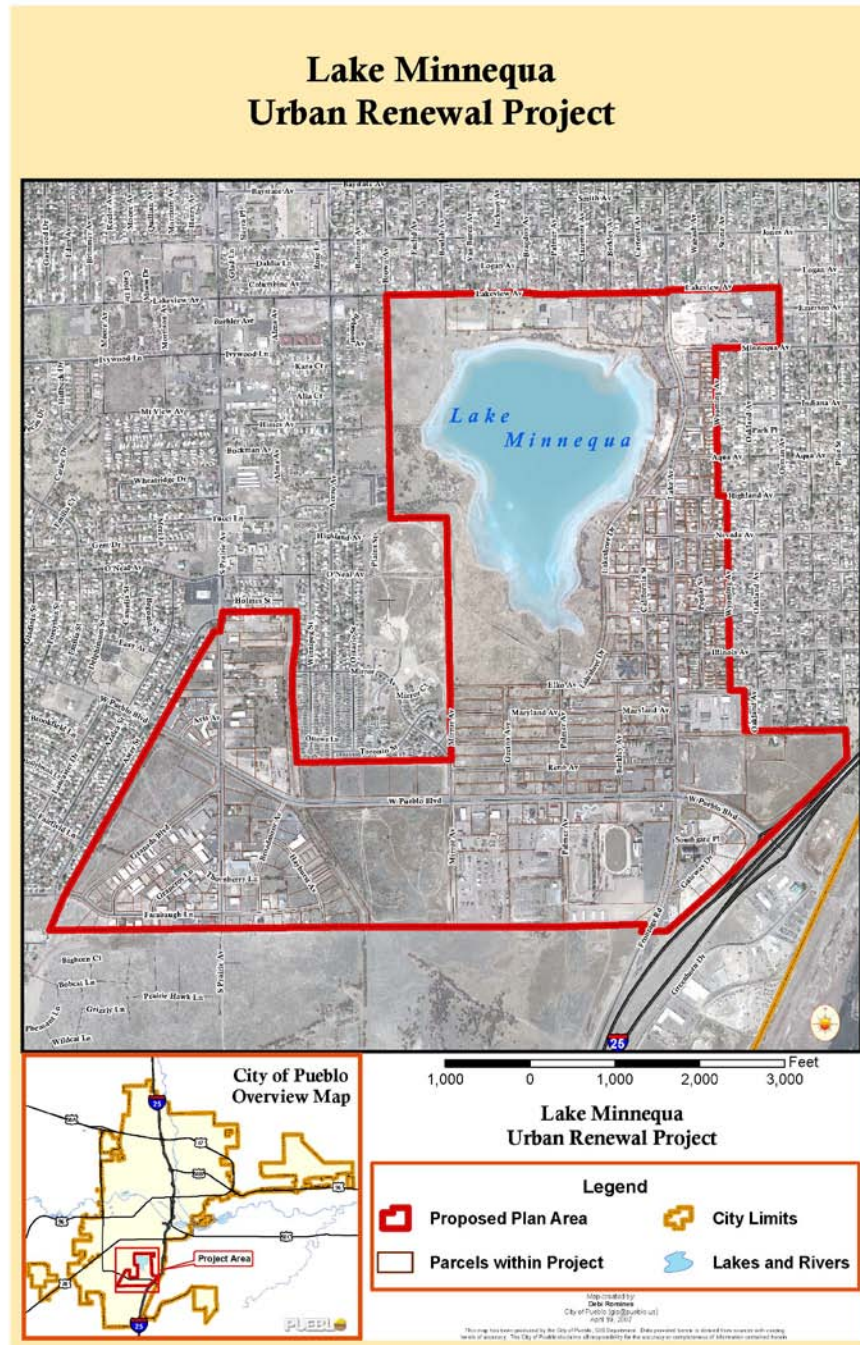
Loan applications are subject to several levels of approval. The estimated time from application submittal to closing is approximately two (2) months.

1. Applicant reviews proposed improvements with an URAP representative;
2. Application and all supporting materials are submitted to the URAP;
3. Façade Improvement Committee reviews application with applicant in accordance with URAP policy and approves, disapproves, or modifies application;

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4. Underwriting approves/disapproves application in accordance with URAP loan standards (underwriting processes application concurrently with the URAP approval process);
 5. URAP Board of Commissioners approves/disapproves application;
 6. Applicant submits certified cost estimate and final design schematics;
 7. Loan closing;
 8. Applicable permit(s) obtained;
 9. Construction commences, applicant submits progress reports/draw requests; and
 10. Improvements are completed, applicant begins monthly loan repayment.

Building Eligibility

All structures located within the boundaries represented by the map below are eligible for funding subject to the requirements of the Program.



Application for Financing

URAP Loan/Grant Fund

Please return completed to: Mike Tedesco
Urban Renewal Authority of Pueblo
126 N. Mechanic Street
Pueblo, CO 81003

1. APPLICANT

Name: _____ Address: _____
_____ Zip Code: _____

Day Phone: _____ Fax: _____

Email: _____ Contact Name: _____

Legal Form: Sole Proprietorship Partnership
Corporation (Profit) Non-profit Other _____

2. BUILDING/BUSINESS to be RENOVATED

Name: _____ Address: _____
_____ Zip Code: _____

S.S.N. or Federal Tax Identification Number: _____

3. PROPOSED IMPROVEMENTS

Please attach cost estimate(s) and preliminary schematic design plan(s).

4. LOAN/GRANT (Personal Details of all Applications will Remain Confidential)

Requested Loan Amount (not to exceed \$50,000): \$ _____

Requested Grant Amount (not to exceed 50% total project costs): \$ _____

Requested Term (not to exceed 120 months): _____ (months)

Please attach documentation of the following: (a) Current mortgages, liens, and other encumbrances, and (b) Two (2) months documentation of total operating expenses (including labor and utilities).