

SEP 08 2006

**CITY OF ALLENTOWN  
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT (DCED)**

**Neighborhood Business Revitalization Loan Program**

The Neighborhood Business Revitalization (NBR) Loan Program is administered by the City of Allentown to upgrade the appearance, safety and energy efficiency of commercial properties, and for interior improvements or equipment in order to improve the overall business environment within targeted neighborhoods.

- Target areas:** City of Allentown boundaries are North to Tilghman St. South to Union St.-East to Front and West to 12<sup>th</sup> Street
- Eligible borrowers:** Commercial building owners or commercial tenants.
- Eligible Project Costs:** Exterior façade improvements; structural, mechanical & electrical repairs; landscaping; interior renovations; sign repair or replacement; equipment purchase; energy improvements; and project soft costs.
- NBR Loan Structure:** 50%-80% of project costs, or 70% of equipment purchased, up to \$30,000.00 (percentage will be determined based on impact –job creation, enhance economic environment, etc).  
1<sup>st</sup> or 2<sup>nd</sup> mortgage loans (based upon demonstrated need 3<sup>rd</sup> lien position may be considered); 1<sup>st</sup> lien security interest on equipment purchased.
- NBR Loan Amounts:** Minimum - \$5,000 --- Maximum \$30,000
- NBR Loan Terms:** 3% interest rate – Up to 10 year terms.
- Approval Criteria:** City inspection for code compliance; evidence of sufficient cash flow to repay loan; evidence of sufficient collateral to secure loan; personal guarantees are required.
- NBR Loan Fees:** Non-refundable \$300.00 application fee, plus all legal and closing costs.
- Taxes:** During the term of the loan, borrowers receiving loan funding must be current on all Property Taxes of the City, County and School District, City Earned Income Tax, Business Privilege Tax, Business License, Per Capita Tax, Water and Sewer bills, Garbage fees, Municipal liens, and any miscellaneous invoices.
- Information/Application:** Erlinda M. Aguiar, Real Estate Development Specialist  
City of Allentown, Dept. of Community & Economic Development  
610-439-5976, Aguiar@allentowncity.org

**ALLENTOWN DEPARTMENT OF  
COMMUNITY & ECONOMIC DEVELOPMENT  
435 Hamilton Street, Allentown, PA 18101  
610-437-5976**

**LOAN PROGRAM APPLICATION**

NBR

Façade

1. APPLICANT: \_\_\_\_\_ DATE: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_  
TELEPHONE: \_\_\_\_\_ DATE FISCAL YEAR ENDS: \_\_\_\_\_

PROJECT ADDRESS: \_\_\_\_\_  
CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

2. BANK OF ACCOUNT: \_\_\_\_\_ OFFICER: \_\_\_\_\_  
LOCATION: \_\_\_\_\_ TELEPHONE: \_\_\_\_\_  
TYPE OF ACCOUNTS AND ACCOUNT NUMBERS:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. ACCOUNTANT: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
PHONE: \_\_\_\_\_

4. ATTORNEY: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
PHONE: \_\_\_\_\_

5. MANAGEMENT:

<u>Name (attach resume for each)</u>	<u>Title</u>	<u>Owns %</u>	<u>Annual Compensation</u>
_____			\$
_____			\$
_____			\$
_____			\$
_____			\$

6. STATUS OF APPLICANT: (Check one)

\_\_\_\_\_ Property Owner \_\_\_\_\_ Retail Tenant

7. BUSINESS ORGANIZATION: (Check one)

\_\_\_\_\_ Corporation \_\_\_\_\_ Partnership \_\_\_\_\_ Sole Proprietorship

8. LOAN REQUEST:

Project Cost \$ \_\_\_\_\_ Bank Loan \$ \_\_\_\_\_ ADCED loan \$ \_\_\_\_\_

9. USE OF LOAN PROCEEDS:

A. Façade

1. Renovations \$ \_\_\_\_\_

2. Architect & Engineering \$ \_\_\_\_\_

B. Equipment

1. Purchase & Installation \$ \_\_\_\_\_

C. Interior

1. Renovations \$ \_\_\_\_\_

2. Code Compliance \$ \_\_\_\_\_

3. Architect \$ \_\_\_\_\_

D. Other (explain)

\_\_\_\_\_ \$ \_\_\_\_\_

Total \$ \_\_\_\_\_

10. EMPLOYMENT:

	Professional	Skilled	Semi-Skilled	Unskilled	# Employees \$20,000/yr Wages
Current Employment:	_____	_____	_____	_____	_____
Projected Employment:	_____	_____	_____	_____	_____
After one year:	_____	_____	_____	_____	_____
After three years:	_____	_____	_____	_____	_____
a. Full-time	_____	_____	_____	_____	_____
b. Part-time	_____	_____	_____	_____	_____

**11. Mortgage Information**

Is there a current Mortgage on the property: YES \_\_\_\_\_ NO \_\_\_\_\_

If YES, Holder of

Mortgage: \_\_\_\_\_

Date of Mortgage: \_\_\_\_\_

Original Amount:\$ \_\_\_\_\_ Balance: \$ \_\_\_\_\_

**12 HISTORY AND NATURE OF BUSINESS:**

A. Nature of business, Products and a brief history of you business:

B. Brief resume of owner or management:

13. **Project Information**

A. Building Location:

C. Owner of Record:

14 **Project Description**

Describe in detail the proposed scope of work. Attach architectural sketches or use separate sheet(s) if necessary.

Anticipated Construction

Start Date: \_\_\_\_\_ Completion Date: \_\_\_\_\_

15. **Building Information**

Will project result in change of use for the building? YES \_\_\_\_\_ NO \_\_\_\_\_

Uses of the building after completion of the project:

1st

2nd

3rd

Other:

16. **Special Factors**: List special factors associated with proposed rehabilitation such as handicap access improvements, structural improvements, safety improvements, etc.

(Tear along the dotted line)

-----  
Please fill out your name, address and telephone number for the Greater Lehigh Valley Chamber of Commerce to contact you.

Name \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

**Other Required Documentation**

- a. Property deed with legal description of property
- b. Proof that all property taxes are paid and current
- c. Proof of property and liability insurance
- d. Copies of any leases associated with property
- e. Two (2) contractor quotes/construction bids for total rehabilitation project
- f. Project budget and financing commitments
- g. Completed Additional Criteria Statement (Attachment Two)
- h. Copy of mortgage note
- i. Evidence of sufficient cash flow to repay and sufficient collateral to secure the debt

I/We certify that all information set forth in this application is a true representation of the facts pertaining to the subject property for the purpose of obtaining funding under the ADCED Neighborhood Business Revitalization Loan Program. I understand and acknowledge that all willful misrepresentation of the information contained in this application could result in disqualification from the program, requiring any funds already disbursed to be paid in full to the City of Allentown.

The applicant further certifies that he/she has read and understands the ADCED Neighborhood Business Revitalization Loan Program Guidelines. If a determination is made by the ADCED that program funds have not been used for eligible program activities, the Applicant agrees that the proceeds shall be returned, in full, to the ADCED and acknowledges that, with respect to such proceeds so returned, he/she shall have no further interest, right or claim. If it is understood that all ADCED funding commitments are contingent upon the availability of program funds.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

By: \_\_\_\_\_

**A \$300.00 APPLICATION FEE MUST BE INCLUDED WITH THE SIGNED APPLICATION FORM. MAKE CHECK PAYABLE TO:**

**CITY OF ALLENTOWN**

**CITY OF ALLENTOWN**

**APPLICATION CHECKLIST**

Items checked are complete. Please provide information for all items that are not checked. Refer to Application Form for description of requested materials.

- 1. Application Fee \_\_\_\_\_
- 2. Application Information \_\_\_\_\_
- 3. Project Information \_\_\_\_\_
- 4. Project Description \_\_\_\_\_
- 5. Mortgage Information \_\_\_\_\_
- 6. Building Information \_\_\_\_\_
- 7. Other \_\_\_\_\_
  - A. Property deed with legal description \_\_\_\_\_
  - B. Proof that all property taxes are paid and current \_\_\_\_\_
  - C. Proof of property and liability insurance \_\_\_\_\_
  - D. Copies of any leases associated with the property \_\_\_\_\_
  - E. Two contractor quotes for total rehabilitation project \_\_\_\_\_
  - F. Copy of mortgage note \_\_\_\_\_
  - G. Annual Cash Projection \_\_\_\_\_
- 8. Signed Application Form \_\_\_\_\_
- 9. Signed Cooperation Agreement \_\_\_\_\_
- 10. Signed Neighborhood Business Revitalization Loan Agreement \_\_\_\_\_



## Annual Cash Projection

From: \_\_\_\_\_ to \_\_\_\_\_, 20\_\_.

Name of Business/Building:

Address:

\_\_\_\_\_

- |                                       |          |          |
|---------------------------------------|----------|----------|
| 1. Cash on hand                       | \$ _____ |          |
| 2. Cash Receipts                      | \$ _____ |          |
| a. Cash Sales                         | \$ _____ |          |
| b. Collections from credit            | \$ _____ |          |
| c. Other (specify)                    | \$ _____ |          |
| 3. Total cash receipts                | \$ _____ |          |
| 4. Total cash available               | \$ _____ |          |
| 5. Cash paid out                      |          | \$ _____ |
| a. purchases (merchandise)            |          | \$ _____ |
| b. Gross wages (excludes withdrawals) |          | \$ _____ |
| c. Payroll expenses (taxes, etc.)     |          | \$ _____ |
| d. Outside expenses                   |          | \$ _____ |
| e. Supplies (office and operating)    |          | \$ _____ |
| f. Repairs and maintenance            |          | \$ _____ |
| g. Advertising                        |          | \$ _____ |
| h. Car, delivery and travel           |          | \$ _____ |
| i. Accounting and legal               |          | \$ _____ |
| j. Rent                               |          | \$ _____ |
| k. Telephone                          |          | \$ _____ |
| l. Utilities                          |          | \$ _____ |
| m. Insurance                          |          | \$ _____ |
| n. Taxes (real estate, etc.)          |          | \$ _____ |

- o. Interest \$ \_\_\_\_\_
- p. Other expenses (specify each)
  - 1. \_\_\_\_\_ \$ \_\_\_\_\_
  - 2. \_\_\_\_\_ \$ \_\_\_\_\_
  - 3. \_\_\_\_\_ \$ \_\_\_\_\_
- q. Miscellaneous (unspecified) \$ \_\_\_\_\_
- r. Subtotal \$ \_\_\_\_\_
- s. Loan principal payment \$ \_\_\_\_\_
- t. Capital purchases (specify) \_\_\_\_\_ \$ \_\_\_\_\_
- u. Other start-up costs \$ \_\_\_\_\_
- v. Reserve and/or escrow (specify) \_\_\_\_\_ \$ \_\_\_\_\_
- w. Owner's withdrawal \$ \_\_\_\_\_
- 6. Total cash paid out (5a through 5w) \$ \_\_\_\_\_
- 7. Cash position (#4 minus #6) \$ \_\_\_\_\_

Essential operating data (End of year)

- A. Sales volume \$ \_\_\_\_\_
- B. Accounts Receivable \$ \_\_\_\_\_
- C. Bad debt \$ \_\_\_\_\_
- D. Inventory on hand \$ \_\_\_\_\_
- E. Accounts Payable \$ \_\_\_\_\_
- F. Depreciation \$ \_\_\_\_\_

## ATTACHMENT ONE

### Cooperation Agreement for Façade and NBR Programs

If the project for which this application is submitted is approved for funding by the Allentown Department of Community & Economic Development (ADCED), the applicant shall cooperate with the ADCED in furtherance of its fundamental goal of halting property value deterioration, eliminating that deterioration, and promoting economic growth and vitality within the Downtown Development Area by:

- Participation in ADCED sponsored tours of Downtown
- Work with the ADCED Business Development Program
- Participate in Downtown Business Association and strongly encourage uniform store hours.
- Participate in downtown promotions and events.

Applicant \_\_\_\_\_ Date \_\_\_\_\_

**ATTACHMENT TWO**

*(Office Use Only)*

**Additional Criteria**

**Please use this sheet to answer the following. Attach additional sheets as necessary.**

1. Project Timetable:

2. Economic Impact:

a. Projected Real Property Tax Increase:

b. Projected Personal Property Tax Increase:

c. Temporary (construction) Jobs Created:

d. Permanent Jobs Created:

e. Amount of private investment:

## ATTACHMENT THREE

*(For Review Committee Only)*

### **Program Criteria: Neighborhood Business Revitalization Program**

Applications for funding under the Allentown Department of Community & Economic Development's Façade and NBR Programs will be evaluated using the following criteria. These criteria ensure that each project that is approved contributes to the continuing revitalization to the ADCED Development Area as expressed in the following documents: Downtown Allentown Plan, Project Downtown Design Guidelines, as well, as contributing to the wise use of monies allocated for such goals.

1. Quality of Design: Does the proposed improvement meet the design standards outlined within the Project Downtown Design Guidelines?
2. Specifications, Bids (3) and Cost Analysis: Is the ADCED receiving value for the monies requested?
3. Overall Project Impacts: How will the Central Business District benefit?
4. Needs Assessment: Are there special factors that should be considered in evaluation of this project?
5. Timetable of Project: Does the project demonstrate a willingness to complete the proposed improvements in a timely manner?
6. Economic Impact: Does the proposed project demonstrate positive economic impacts in any of the following areas?
  - a. Projected property and personal tax increases
  - b. Job Creation, Construction and Permanent
7. Cost Analysis: What is the construction cost per square foot?
8. Special Factors: Are there special improvement factors that should be considered? Handicap, Structural, Safety, Etc.

## ATTACHMENT FOUR

### General Design Guidelines

1. Changes to the façade of the buildings will not remove, alter, damage or cover up significant architectural features of the building which are original or which reflect a major alteration that is itself architecturally coherent, or which help create a unified and attractive appearance to the building.
2. Changes to the façade of buildings will either; 1) partially or fully restore to the appearance of the building based on actual evidence, including photographs, written documentation, data on the building or site or other data, or 2) represent a modern treatment which blends into and is compatible with the building and adjoining buildings.
3. In general, the Project Review Committee will encourage repair and preservation of existing features of façades, unless alterations to these facades have resulted in an incoherent, unattractive or inharmonious appearance. While encouraging correction of such alterations, the committee will advocate minimal alterations of harmonious features.
4. For façades which have previously been substantially altered and for which a modern treatment is chosen, such a treatment will conform with the features, materials, rhythms, color and general appearance of the building and those adjoining, particularly if the building is one in a row of buildings with identical or similar design features.
5. Paint colors will either be based on original colors obtained from paint samples on the buildings, or be compatible with adjoining buildings and colors in downtown Allentown. Trim colors, which highlight building details, will be encouraged. Spectacular colors will be avoided.
6. The size, color and shape of a sign should complement the building and add to the historic flavor of the area.
7. The surface cleaning of the structures will be undertaken with the gentlest of means possible. Cleaning methods that damage the historic building materials, particularly sandblasting, shall not be undertaken.