



## Revolving Loan Fund Application

The Georgia Cities Foundation (GCF) welcomes applications from cities in Georgia who are requesting financial assistance for downtown capital projects. The mission of the Foundation is to assist cities in their efforts to revitalize and enhance downtown areas by serving as a partner and facilitator in funding capital projects. The goal of the Foundation is to promote economically sustainable projects and build partnerships in order to help ensure the long-term health and economic vitality of the community.

We welcome and encourage local governments that are actively involved in the revitalization and development of their downtowns to complete the attached application.

### **Loan Amount and Terms**

The application will determine which cities are eligible for funding to the extent funds are available. Loan amounts will not exceed \$250,000 per project. At its discretion, the Foundation may decide to loan an amount less or more than the amount requested in an application.

Interest Rate: Below Market Rate

Repayment Period: Normally 10 years, not to exceed 15 years.

Security: Project collateral

### **Eligibility Considerations**

To the extent possible successful applications should exhibit the following:

- Broad public and private support for downtown revitalization projects in the City.
- An organized and comprehensive approach to downtown revitalization and/or community economic development, e.g.:
  - An active Merchants Association, Chamber, Downtown Development Authority or Development Authority with a comprehensive downtown/community revitalization strategy in place.
  - Georgia Main Street or Better Hometown City designation in good standing.
- A realistic project with a reasonable budget and timeframe for completion.
- Projects that will be supported and sustained by other development initiatives in the downtown area such as streetscape and façade improvement projects and development or redevelopment of buildings in the downtown area or central business district.
- A Satisfactory and Complete Application.

Applicants are required to be in compliance with the Service Delivery Act (OCGA section 36-7-20 et seq.) and be a Qualified Local Government as defined in the Georgia Department of Community Affairs Minimum Standards.

### **Eligible Applicant & Uses**

The eligible mechanisms for making funds available from the Foundation are:

- a) A loan from the Foundation to the municipality's Downtown Development Authority (DDA) or similar entity who uses the funds to carry out the approved activity(s); or
- b) A loan from the Foundation to the municipality's DDA or similar entity who, in turn, contracts with a sub-recipient to carry out the approved activity(s). All contracts must adhere to the provisions of the Georgia Downtown Development Authorities Law (O.C.G.A. Title 36, Chapter 42), to the provisions relating to intergovernmental contracts, as well as to all other applicable state laws. Eligible sub-recipients may include a variety of private or public entities, including the municipality itself, and must be pre-approved by the Foundation.

- c) Once approved, funds may be used for such activities as real estate acquisition, building rehab, construction, green space, and parks.

### **Ineligible Uses**

- Funds may not be used for operating expenses and administration.
- Funds may not be used to establish local revolving loan funds.
- Due to availability of local, state and federal funds, the Foundation will generally not fund public infrastructure projects, streetscapes, façade projects, and certain governmental buildings including public safety and public works facilities.

### **Review of the Loan Application**

All applications will be reviewed to determine the merit of the application and of the proposed uses of funds. In determining whether an applicant shall receive a loan, the following criteria will be considered:

- (1) Each application will be reviewed based upon an analysis of the proposed project's potential enhancement of downtown development opportunities, creditworthiness, overall project feasibility, project impact, and soundness of the proposed strategy. The analysis will include but is not limited to such factors as: impact on the community's tax base; degree of local commitment; consistency with local development plans, goals and objectives; project readiness; project feasibility; reasonableness of cost estimates; elimination of blighting influences; total private capital investment; number of jobs created and/or retained; historic preservation impact and potential state and regional impact.
- (2) In its review of applications, the Foundation may, at its discretion, consult with other individuals or agencies as appropriate for the purpose of receiving information and/or advice. All relevant supporting documentation available (plans, studies, engineering reports, appraisals, etc.) should also be attached. See the attached Supporting Documentation List of the application for further information.
- (3) The criteria listed in this application is designed to assist the Foundation in making its decision and provide prospective applicants with guidance as to the factors that their application needs to address in order to be competitive. The decisions made by the Foundation shall be final and conclusive.

### **Statement of Conditions**

In addition to the specific certifications made by the applicant in accepting the commitment letter and in executing the loan agreement, the recipient further certifies or acknowledges that:

1. No applicable state laws, rules, regulations, or applicable local ordinances shall be violated in carrying out the project and expending the loan proceeds.
2. No real or apparent conflict of interest shall be engaged in by any official, employees or agent of the recipient and sub-recipient (s) and any member of their immediate family, their partners and any organization which employs, or is about to employ any of the above. This prohibition prohibits both the solicitation and acceptance of gratuities, favors or anything of monetary value from contractors, potential contractors, or parties or sub-agreements. It is the responsibility of the recipient to disclose to the Foundation any relationship that might create a real or apparent conflict of interest as soon as the recipient becomes aware of it.
3. The recipient's accounting records of the loan funds shall be maintained in a manner consistent with generally accepted government accounting standards.
4. It is the recipient's responsibility to determine the laws applicable to the specific project and to meet ALL of its requirements (i.e. Georgia's Environmental Policy Act).
5. Loan funds shall be disbursed by the Foundation in accordance with the provisions of the loan agreement. Those provisions may vary depending on each project's particular circumstances. The Foundation will seek to match disbursements with actual need for funds in order to minimize the existence of idle loan funds at the local level.
6. The Foundation may make reviews and audits of the project including on-site reviews as may be necessary or appropriate to implement the program and insure the requirements contained in the loan agreement are met. In the case of noncompliance, the Foundation at its sole discretion shall take such actions, as it deems

appropriate to prevent continuance of the deficiency, mitigate any adverse effects or consequences and prevent a recurrence.

7. The recipient may be required to submit quarterly progress reports to the Foundation in a format prescribed by the Foundation. Failure to submit timely and acceptable reports may result in a request for immediate repayment of all RLF funds from the recipient by the Foundation.
8. Loan payments shall be due to the Foundation or its agent in accordance with the terms and provisions of the loan agreement. All payments shall be made to the Georgia Cities Foundation or its specified agent at 201 Pryor St., SW, Atlanta, Georgia 30303 or at such other place as specified by the Foundation.
9. The Foundation reserves the right to establish other guidelines or requirements in order to further the purposes of the RLF program.
10. The Foundation reserves the right to request additional information as needed.

**How to Apply**

Completed applications should be submitted to:

Georgia Cities Foundation  
201 Pryor St., SW  
Atlanta, Georgia 30303

**(Note: Please submit 4 copies of the application and supporting documents.)**

**If you have any questions, please contact Perry Hiott at 678-686-6207, Becky Taylor at 678-686-6276, Linda Wilkes at 678-686-6243, Patrice Williams at 678-686-6213 or toll-free at (888) 488-4462.**

This application may not be reformatted on your computer. It must stay in its original format and not be altered in any manner. All questions must be answered in the order they appear. Additional sheets may be attached if necessary. Please contact the Foundation if you would like the application via e-mail as a Microsoft Word attachment at (678) 686-6243.

## SECTION A - GENERAL INFORMATION

**1. Applicant and Sub-recipient Information** (Submit 4 copies of application additional documents.)

Applicant Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
(Downtown Development Authority or Similar Entity)

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

City Population \_\_\_\_\_ County Pop.: \_\_\_\_\_ County's Unemployment Rate: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Contact Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ e-mail: \_\_\_\_\_

**Sub-recipient/Developer Information**

Name: \_\_\_\_\_

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

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_

**2. Project Summary.**

Total Project Cost: \$ \_\_\_\_\_ GCF Loan Funds Requested: \$ \_\_\_\_\_

Location of Project: \_\_\_\_\_  
Street Address City Zip

Type of financing requested:    \_\_\_ Interim (Construction)    \_\_\_ Permanent financing

**3. Local Ordinance and Program Information.** (Please indicate whether the city has the following.)

	<u>Yes</u>	<u>No</u>	
a. Zoning Ordinance	___	___	Date Adopted _____
b. Sign Ordinance	___	___	Date Adopted _____
c. Historic District Ordinance	___	___	Date Adopted _____
d. Design Guidelines	___	___	
e. Historic Preservation Commission	___	___	
f. Façade Program	___	___	
g. Staff person solely responsible for management of the downtown program	___	___	
h. Inventory of Downtown properties	___	___	

## **SECTION B- PROJECT SPECIFIC INFORMATION**

Please provide a description of the project for which you are seeking funds, making sure to be as specific as possible and to address each of the following items. Indicate the location of the property on the downtown map. (To the extent possible, please provide photos of the front, back, sides and interior of the building.)

1. Provide a brief description of the project and proposed use of funds:

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2. Briefly describe how the project relates to your comprehensive downtown revitalization Strategy.

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3. Describe the specific downtown problems/needs that this project will address.

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4. Describe the proposed activities to be undertaken that will meet these needs.

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5. One of the goals of the program is to enhance the historic significance of Georgia's downtowns. Does the project meet the Secretary of Interior's Standards for rehabilitation of historic properties and other local historic guidelines? If not, please explain.

Yes \_\_\_\_\_ No \_\_\_\_\_

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6. **Impact Measures.** Describe project's potential short- and long-term impact using the following measures.

Measure	Short Term	Long Term
Projected # jobs created		
Projected # jobs retained		
Projected increase in tax revenues (\$)		
Private development (\$)		
# of blighted structures eliminated		
Projected spinoff development		
Projected # new housing units		
Projected civic/cultural enhancements		
Other		

7. **Location Map.** Please attach a map of the downtown area and indicate the location of the project/property on the map. To the extent possible, please provide photos of the front, back, sides, and interior of the building.

8. **Project Participants.** (List the public and private organizations and individuals to be involved in the project and include a short description of their role (i.e. project manager, private lender, funding contributor or fund raiser, developer, etc.)

• Name: \_\_\_\_\_

Role: \_\_\_\_\_

• Name: \_\_\_\_\_

Role: \_\_\_\_\_

• Name: \_\_\_\_\_

Role: \_\_\_\_\_

• Name: \_\_\_\_\_

Role: \_\_\_\_\_

9. **Project Activity Schedule.** (Provide a realistic timetable for completion of project and specify the time (if known or appropriate stage) at which Georgia Cities Foundation funds will be needed.)

	<b>Activity</b>	<b>Estimated Completion Date</b>
A.		
B.		
C.		
D.		
E.		

### **SECTION C- SOURCE AND USE OF FUNDS**

1. **Project Budget.** (List the source and use of funds for the projects.)

	<b>Source of Funds</b>	<b>Amount</b>	<b>Use of Funds</b>
<b>Funds on Hand:</b>		\$	
Total on Hand:		\$	
<b>Funds Committed:</b>		\$	
Total Committed:		\$	
<b>Funds Applied For:</b>		\$	
Total Applied For:		\$	

2. **Total Project Funding** \$ \_\_\_\_\_ **Total Project Cost** \$ \_\_\_\_\_

***Please note that Total Project Funding must equal Total Project Cost.***

3. Explain how funds will be repaid to the Foundation.

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## Section D – Certification

I certify that the information contained in this application is true and correct to the best of my knowledge. I further understand that the Georgia Cities Foundation has the right to request additional information as needed.

\_\_\_\_\_  
Signature of City's Chief Elected Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print name and Title

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Signature of DDA Chairman

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Signature of Sub-recipient

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Telephone

For GCF Use Only: <u>Date Application Received</u> _____ <u>Initials</u> _____
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## GCF Supporting Documentation List

Note: Items underlined are usually critical for most projects. Other documentation may not be applicable or will be required prior to disbursement of Georgia Cities Foundation (GCF) funds. Other information may be requested by GCF or its credit underwriters.

- A. **Downtown Feasibility/Marketing Analysis and Plan** – The analysis and plan should include a brief history and description of proposed project or initiative and how it can be supported in the downtown area. Relevant information should include any market or feasibility studies and various analyses that examine trade areas, tenant mix, over/under supply mixes in retail markets, etc. Any commitments from anchor tenants, businesses or developers should also be included. The Plan for attracting and retaining such businesses should be thoroughly discussed and documented.
- B. **Purchase Option, Sales Agreement, or Warranty Deed** for any real estate needed to undertake the project.
- C. **Appraisal** (prepared by an appraiser with credentials acceptable to GCF) for any real estate to be financed.
- D. **Evidence of Marketable Title** (with outstanding liens, mortgages and encumbrances noted) and a plat for any real estate to be financed.
- E. **Plans, Specifications, Renderings and Architectural Drawings** that have been approved by appropriate local and state regulatory and historic preservation agencies.
- F. **Construction Cost Estimates and Price Quotes** on all proposed construction/renovation and other project activities.
- G. **Financial Commitment Letter (s)** from participating financial institution(s) and public agencies. The letter(s) should indicate the amount, rate, term, and any contingencies associated with the financing. If the project involves tax credits, documentation should be provided that applicable credits will be obtained. Other public sector financing or grants should include award documents, council resolutions, etc.
- H. **Commitment Letter(s)** from participating business(es) or tenants. The letter(s) should indicate the number of full-time jobs to be created/retained and the amounts of any private investment that will occur as a result of the project.
- I. **List of Available Collateral** with prior liens noted.
- J. **Financial Statements** (Developer and Local Government): Businesses that are the ultimate borrower should provide balance sheets and income statements for the past three years. If statements are unaudited, copies of federal tax returns may also be requested by GCF. Local Governments and Development Authorities should provide copies of their most recent available audited financial statements.
- K. **Developer Interim Financial Statements** (For ultimate recipients/borrowers that are private businesses.)
- L. **Developer Financial Projections** in the form of a pro-forma balance sheet and projected income statements and cash flow for one year or until break even point is achieved.
- M. **Proposed Use Certification** from local government that certifies the project will comply with all applicable land-use, environmental and other applicable local laws as well as any special requirements involving community improvement districts, special tax districts, or redevelopment areas. (Please provide copies of applicable local legislation.)
- N. **Property Management Plan** (for real estate projects) that outlines a plan for the renting and merchandising of space in the renovated facility, the operation and maintenance of the facility and what party will responsible for the financial and day to day management of the property.