

TERM SHEET
Facade Improvement Program
Brockton Redevelopment Authority (BRA)

OBJECTIVE	To provide interest-free declining-balance loans for facade and signage improvements in the principal business districts in the City of Brockton with a focus on the Commercial Area Revitalization District (CARD) properties in the downtown center, and Montello and Campello neighborhoods.
REQUIREMENTS	
Applicants	Must own the building and be in good standing with all lenders and lien-holders. They must not have any outstanding code violations, unpaid property taxes or water bills.
Contractors	All work and contracting must be in compliance with HUD regulations, including Davis-Bacon wage guidelines (www.wdol.gov/). Any job postings for new employees hired to complete improvements, must be listed with CareerWorks in Brockton, MA. Contractors must not be on the excluded list (www.epls.gov/epls/search.do).
Improvements	Must meet City Code and BRA design review standards. <u>Design standards will be made available upon request.</u>
APPLICATION	There is a rolling application process, which consists of two steps.
Step One	The applicant must submit a preliminary façade improvement proposal, including basic information about the property, its owner and primary tenant(s), and a brief description of the project and its expected cost. <u>The applicant may request assistance with architectural costs of up to \$2,000 for plans to improve the facade of the building or plan new signage.</u>
Step Two	Upon notification of preliminary approval, the applicant must submit a secondary application with a more detailed description of the proposal for review by the BRA and a design review committee of its choosing. The BRA may approve or deny the submitted proposal, or ask for additional materials. If a final approval is issued, BRA shall specify the loan amount to be provided. No BRA funds shall be expended for any work completed prior to the BRA's approval.
FUNDING	Once the facade improvement proposal has been approved by BRA, the applicant will execute a loan agreement that requires the work to be completed by a qualified contractor. <u>Upon execution of the contract, the BRA will issue a Proceed Letter. The BRA will appoint an inspector who will visit the site, take pictures and interview the contractor's employees. At completion, all paid invoices from contractors must be submitted to BRA for review and approval. After BRA conducts a site visit and reviews the invoice(s), a check will be drawn to reimburse the applicant</u> allowable costs pursuant to the loan agreement.

LOANS

Building Owners must choose between two types of loan assistance. Owner may elect to move from Type I to Type II with facade committee approval providing funds are available.

Amount

TYPE I Loan Up to \$5,000 for may be provided for signage and minor facade improvements. This type of loan anticipates reimbursement of up to \$5,000 in costs without owner matching funds required by the BRA.

TYPE II Loan: At least \$10,000 in facade work must be proposed to qualify for the Type II loan program. The BRA loan will cover up to 50% of approved expenses up to a maximum of \$35,000 total BRA investment per building. (Minimum loan of \$5,000 up to a maximum loan of \$35,000 per building). The BRA loan must be matched by the property owner's capital, which may include other non-City funding. The property owner will pay 100% of any costs exceeding \$70,000. Owners must choose Type 1 or Type II loan option before beginning work.

Term

The loan balance will decline annually for a term of five years at the rate of 1/5 of the full amount, provided the owner retains the building in good standing (i.e. the building is not sold or foreclosed, and all taxes and bills are paid and on-time). *A lien will be filed upon completion of the work and reimbursement by BRA in an amount that will reflect BRA's expenditures including architectural drawings and the amount of the loan.*

**IMPORTANT TO NOTE: ALL FUNDING IS SUBJECT TO AVAILABILITY
OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS.**