

# **Perry Economic Development Business Revolving Loan Fund**

## **General Intent of the Revolving Loan Fund**

The general intent of the Business Revolving Loan Fund is to help local businesses to maintain and enhance their properties in Perry. The city strives to maintain a vibrant business climate and to insure economic stability in the community along with sustaining the buildings that house Perry's businesses.

## **Eligible Activities**

This revolving loan fund provides monies, at a low interest rate, that may be used to fund projects to sustain and/or enhance a building in Perry by a qualified business, and the related costs and expenses as allowed by applicable City ordinances and State statutes.

1. Façade improvements, including windows and doors
2. Complete roof replacement and/or repairs
3. Interior remodel
4. Heating, cooling, and plumbing replacements, extra consideration for green initiatives
5. Mechanical and lighting improvements, extra consideration for green initiatives
6. Extra consideration will be given to projects using local contractors.

The eligible activities described above are considered priority activities for the use of the economic development funds. The City of Perry recognizes that the attraction of a new business to a community or the expansion of an existing business takes place in a very competitive market place. The City retains the right to include as eligible services, those additional activities allowable by law. All loan funds will be dispersed to the applicant when proper invoices have been presented to the City Financial Officer and an onsite review has been completed.

## **Eligible Businesses**

A qualifying business shall mean any corporation, partnership or sole proprietorship that owns a building inside the city limits of Perry, Iowa. A business owner that is purchasing the building that they occupy by contract would need the owner of record to cosign the loan to receive economic development funds. The business must be located in areas zoned Light Industrial, Heavy Industrial, Arterial Commercial or Business Commercial. No business will be allowed to have two Economic Development Loans active at the same time, unless City Council has given consideration to a consolidation of an existing loan. If City Council has given permission for a loan to be considered for consolidation the property owner will need to bring a completed application back before the review committee. A property owner with a revolving loan, that is selling the property the loan was used to improve, will need to pay off that revolving loan at closing of the property.

## **Administrative System**

It is the intent of the City that the City Administrator and Financial Officer will administer the Economic Development Loan Program.

The City Administrator & Financial Officer will;

1. Establish a Project Review Committee made up of the Mayor, one or two council members and the City Clerk or Building Official.
2. Provide the Project Review Committee with necessary information and advise the Committee on issues related to the Economic Development Loan Program.
3. Review applications of businesses for the Economic Development Loan Program and make recommendations to the Project Review Committee.
4. Track the uses of the funds as set forth in the loan agreement and report to the Economic Development Loan Committee.
5. Additional responsibilities, as determined by the City Council necessary to carry out the program.
6. All final approval of loans will be by the City Council of Perry.

The City Council of Perry has final approval of all loan agreements.

## **Process Applicable Laws**

The City of Perry is responsible for ensuring that all applicable laws, regulations and requirements are met by the City and by any qualified business. This process will include:

1. The City Administrator will be responsible for the procedures to ensure that the City and the qualifying businesses receiving assistance meet all applicable laws, regulations and requirements. These procedures will be subject to review and approval by the Project Review Committee.
2. The City will direct legal counsel to review all contracts, official documents, land transactions and other official actions related to the Economic Development loan Program to ensure compliance with existing laws and to monitor changes in the law to ensure future compliance.
3. The Project Review Committee will:
  - a. Review the function of the Economic Development Loan Program on a regular schedule and advise the City Council with regard to the program; and
  - b. Report to the City Council its findings and suggestions at a public hearing called for that purpose, as requested by the City Council after the effective date of this program.

