



CITY OF PLAINWELL
Small Business Revolving Loan Program
Application Packet

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Plainwell, Michigan
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“DBE are encouraged to apply.”

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Introduction

The City of Plainwell has partnered with the United States Department of Agriculture (USDA)'s Rural Business Enterprise Grant Program to enhance the building facades found in downtown Plainwell, stimulate job creation, and facilitate business success. Local funds from the city will be combined with resources from the United States Department of Agriculture to establish a Small Business Revolving Loan Fund program from which low interest loans can be distributed to qualified applicants.

The City of Plainwell's Small Business Revolving Loan Fund is a unique financing program designed to assist businesses in the City of Plainwell. The goal of the Fund is to stimulate economic growth and create or preserve jobs by providing flexible financing to businesses. The Fund is designed to be used in conjunction with other financing/funds, including private investment, bank loans, and other sources.

Because the appearance of individual buildings, storefronts, signs, alleys, window displays, parking lots, and sidewalks establishes the visual character of the downtown and plays a major role in the marketing success of the business district, the City of Plainwell is pleased to present this opportunity for qualified applicants to help finance the costs associated with building improvements, job creation, and business success.

Projects including repairs or replacement of windows, doors and walls, exterior painting, awnings, exterior lighting, masonry repair or cleaning, the restoration of vintage elements, and the removal of inappropriate "modern" facade treatments and signs are given top priority. Additionally, projects that remedy a current "blight" or code violation are also prioritized. Interior projects and working capital projects are also eligible.

Purpose

The purpose of the Small Business Revolving Loan Fund is to encourage improvements to commercial facades visible from the public right-of-way. The loan money is intended to provide financial incentives for quality business development that:

- Encourages job creation and retention;
- By fully utilizing older downtown buildings, reduces the rate of vacancy and blight in the downtown;
- Provides financial assistance to property owners in overcoming the barriers associated with the reuse of older buildings as well as hiring and retaining the best employees;
- Generally, to promote and encourage continued growth and expansion of business and to support the purposes of the Downtown Development Authority

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CITY OF PLAINWELL

Design Guidelines for Downtown Commercial Rehabilitation

Introduction

The appearance of individual buildings, storefronts, signs, alleys, window displays, parking lots and sidewalks establishes the visual character of the downtown and plays a major part in the marketing success of the business district. Presenting an attractive image is simply good business. Improvement and maintenance is not only essential to strengthen the appeal of individual properties, it is also necessary to improve the image of the entire downtown area, an important public purpose.

It must be remembered that one building is part of the street. New designs and alternatives should be compatible with existing buildings. This does not mean limiting that architectural variety of interest of the street, but rather that designs should respect existing buildings and strive for visual harmony with the character of the street.

The ultimate responsibility for the application of guidelines and their interpretation rests with the people who stand to receive the most substantial benefits from a revitalized downtown-the individual property owners and merchants.

Intent of the Guidelines

These guidelines are intended to guide the physical and economic revitalization of the City of Plainwell. The interpretations will serve as a reference to insure a consistency in the quality of design for the city. By following these guidelines, merchants and property owners will qualify for special loan monies and benefits to be used for the improvements of commercial buildings. These guidelines and their interpretations do not attempt to provide specific solutions. They are offered as a means by which to effect beneficial change. As new technologies develop and other opportunities for improvements emerge, the interpretations of the guidelines should be periodically tested and reviewed.

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Additionally, the intent is to provide standards by which the City of Plainwell can determine whether to commit its funds to help finance improvements to existing buildings or new construction.

Use of Interpretations

These interpretations offer some basic, common sense advice to merchants, property owners and others involved in improving the city. Those wishing to take advantage of the special financial incentives resulting from the partnership between the United States Department of Agriculture and the city of Plainwell should use them.

The interpretations that follow contain a brief discussion of the importance of the elements being examined and a list of specific recommendations and procedures to be avoided. The interpretations are organized as follows:

- Section I: Building Surroundings
- Section II: Front Façades
- Section III: Rear Façades
- Section IV: Architectural Details and Decoration
- Section V: New Buildings

Rehabilitation for Commercial Façade Loans

Any downtown merchant or property owner who wishes to take advantage of the special financial incentive in the form of a Small Business Revolving Loan must comply with the Guidelines for Rehabilitating Commercial Buildings. The city must approve, in writing, building plans prior to any construction.

Loan funds will be dispersed upon completion of the project consistent with the approved plans.

Section I- Building Surroundings

1. **Street Furniture:** Walkways, street and parking lot light poles, signs that are not on your buildings, benches, trash receptacles, streetscape landscaping, and so on are important elements of the image of a commercial building. To the extent that these are under the control of the building owner, they should be integrated with the building's design and should be in keeping with the historic nature indicated for the location of the building when they are not under the control of the owner/developer.

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2. **Neighboring Structures:** Facade improvements should be designed to be compatible with the neighboring structures. Compatibility includes how the structure relates to the street- including orientation, set-back, the height and width of the structures.
3. **Human Scale:** The scale of the architectural elements should provide comfortable surroundings for pedestrians. This applies especially to heights of canopies or awnings and heights of doors and windows.
4. **Trees:** Trees should be along the front of storefronts with an average spacing of 40 to 50 feet. With the approval of the city, fewer but larger clusters of trees may be more appropriate in some cases. Tree varieties should be selected for urban environments, considering hardiness, shape and height maturity.
5. **Location of Entry:** The main entry should face the street with the greatest public exposure and traffic. In some cases, more than one facade is highly visible to the public, such as with a corner building or a rear entrance from a parking area. In these cases, the visible facade should be treated with similar parapets and major architectural details. In cases where the secondary facade is visible, but not highly so, architectural elements may be simplified, or wrapped a short way around a corner.

Section II – Front Façades

The front façades of buildings are one of the most important physical components of downtown – economically, functionally, and aesthetically. Their physical condition plays a substantial role in the well being of any business community. Unfortunately, they all too often project a negative image when they consist of inappropriate siding, peeling paint, out-of-character signs and garish color schemes.

With proper design and maintenance, the building façades in a downtown present property owners and merchants with a rare opportunity. Many of these buildings, dating predominantly from the late 1800's and early 1900's, have visually interesting and historically important architecture. As a group, these façades have a distinctive ambience that is worth maintaining. Because of the era in which they were designed and built, they have basic warmth that is hard to duplicate today.

Most façades downtown are two stories high, with commercial space located at ground level and offices, storage, or residential space above. Visually, this arrangement divides the façade into two basic parts: the upper façade which is usually a flat masonry wall with regular spaced window openings and applied decoration; and the storefront, or lower façade, which is composed primarily of large display windows and the entry.

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Unfortunately, the storefronts have usually been changed drastically as they were “modernized.” The end products of such modernization have frequently made the building not to scale and incompatible with the original façade design and materials remaining. Some building façades, on the other hand, have fared better and escaped inappropriate modernization. In this latter case, the original façade should be preserved and repaired with little or no alteration. Where the original façade is covered up, or no longer existent, any improvement should respect the documented historic character of the building as well as its neighboring buildings.

Storefronts

The lower façade of the building, the storefront, has usually been altered in the years since its original construction. The net result of these changes is normally an erosion of its original character.

Every traditional commercial building façade has a well-defined opening. Many of the problems with the storefronts today are that they no longer look like an integral part of the building; rather, they appear pasted on and do not reinforce the character of the entire façade. The traditional storefront usually had a recessed entry for the front door, flanked by display windows at the property line. This configuration accomplished two important things. First, it located the display windows next to the sidewalk in full view of passersby. This allowed potential customers a full view of the merchandise on display and a view of the stores interior. Secondly, it emphasized the door and entryway. The intimacy of the enclosed and sheltered doorway provided a pleasant sense of inviting the customer inside.

Recommendations:

1. Generally, storefronts should be designed to fit inside the original openings and not extend beyond it.
2. Storefronts should be designed with the largest possible window area, which is in keeping with the original opening. Emphasis should be placed on the display windows and doors that do not alter the original architectural character of the storefront.
3. Storefronts should respect the integrity of the building as a whole and relate to the building’s original character. Storefronts should be compatible with the scale, materials, color and texture of the original building.

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4. Where storefronts have been covered up with incompatible material, they should be renovated by removing the covering material. Avoid use of unpainted aluminum, imitation masonry, fake shutter and other incompatible materials in renovating storefronts.
5. Use simple and unobtrusive materials when renovating storefronts. Avoid garish patterns, textures or colors that are not appropriate to the character and functionality of the storefront.
6. Where the original storefront remains, it should be preserved and repaired with as little alteration as possible.
7. If restoration of the original storefront is undertaken, it should be based on accurate duplication of features substantiated by historical, physical or pictorial evidence.
8. Avoid introducing a storefront that significantly alters the original character of the building or the relationship of the building to the street.
9. Avoid the use of mirrored or tinted glass.
10. Avoid bare aluminum window frames. If existing aluminum frames are to be retained, they should be painted.

Upper Façades

From a distance, the image of the front façade is heavily influenced by its upper-story appearance. Typically, windows in the upper façades are positioned at regular intervals and act to establish a visual rhythm to the exterior design of the building. Their shape, size, placement and decorative trim constitute and contribute too many important aesthetic principles. The window openings, along with the material color and texture of the wall surface contribute to the overall visual character of the street.

Recommendations:

1. Screens, boards and other inappropriate materials covering façades and windows should be removed.
2. If the original window opening has been altered, restore them to their original configuration and detail. Avoid blocking window openings.

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3. If possible, save and restore the original windows and frames. Replace missing, rotting or broken sashes, frames, mullion, etc. with similar material. Replacement windows should reflect the original design and material.
4. Where clear aluminum frames have previously replaced the traditional frames, they should be painted.
5. If a new interior ceiling must be dropped below the height of existing window openings, a recessed setback, or similar device, should be used to allow the full **window** opening be retained without alteration of exterior appearance.
6. If storm windows are used to improve thermal performance, they should resemble the existing window as closely as possible in shape, appearance, and color. Storm windows should be sized to fit the entire window opening.
7. Avoid storm windows that allow moisture to accumulate and damage the window frame.
8. Avoid through-wall or through-window heating/air conditional units.
9. Avoid mirrored or tinted glass. Replacement glass should be similar to the original.
10. Avoid the use of shutters except where clear evidence indicates their historic presence.
11. Avoid substituting one type of operable sash for another, i.e. Do not replace Double Hung windows with Casement windows, etc.
12. Avoid storing material directly in front of windows. Wash upper story windows regularly and install curtains or other suitable devices to give a “lived-in” appearance if vacant.

Doors and Entries

Doors are one of the primary elements, which create individual character in the exterior appearance of a building. Historically, the storefront entry was more than just a door. Its design and appearance reflected its commercial importance. The storefront door was tall in proportion, built of wood and glass, and looked substantial, yet inviting to the customer.

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The typical downtown building often has two additional doors: a second door on the front façade permitting access to the upper floors, and a rear door used both as a service and a customer entry. Compared to the storefront entry, these were traditionally modest in design.

Attractive entrances are essential, and customers or clients should be made to feel welcome as they approach the door.

Recommendations:

1. When possible, original doors should be retained, repaired and refinished. Attractive hardware, such as brass door pulls and plates add visual value to the entrance and should be retained.
2. Where bare aluminum doors are to be retained, they should be painted.
3. Consider using subtle decorations on new and replacement doors. A handsome knob or pull or an attractive molding can make the door special and inviting.
4. Rear doors should reflect the character of the rear façade. Avoid a highly decorated door that would look out of place. If rear doors serve customers as well as delivery, they should incorporate glass panels of an appropriate design.
5. New doors should be compatible with the character of the façade. Avoid fake “historic” doors that are incompatible.
6. Avoid mirrored or tinted glass in doors. Avoid windowless wood or metal doors except for service and residential entries.
7. Avoid storm doors which are inappropriate in size, color, material and texture with the original door or which require replacement of the original door.

Awnings

Awnings are both visually and functionally appropriate for many commercial storefronts and upper façade windows. As a visual element, an awning can add character and interest to a façade. An awning on the storefront creates a pleasant space in front of the building, providing shade and shelter for customers and a resting place for pedestrians. Awnings on windows also reduce glare and serve as energy savers by controlling the amount of sunlight that penetrates the interior. The use of awnings downtown, with

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appropriate design, colors and materials, can provide attractive and functional additions to the building façades.

Signs on awnings can be viable solutions to providing identification for a business. Considering the cost as well as the life span of modern fabrics used for awnings, these signs can provide effective and long lasting advertising. Signs attached or incorporated into more permanent types of awning materials can also be effective communicators. (Refer to Section IV Architectural Details and the City Sign Ordinance)

Recommendations:

1. Cloth or canvas awnings were traditional on most buildings downtown. Consider box awnings on the upper façade windows and slanted awnings of the storefronts. When canvas awnings are used on both upper and lower façades, they should be of compatible color, material and design.
2. The color of all awnings should complement the building. When a building contains more than one storefront, each with a different awning color, the colors should be related.
3. If signs are incorporated into an awning, the message should be simple and directed towards identification.
4. Avoid materials, colors and designs that detract from the character of the building.
5. Avoid stock, unpainted awnings, which are inappropriately related to the character of the building.
6. Signs on awnings should complement the building's architecture and color scheme.
7. Signs on awnings should constitute a single area of the awning.
8. Signs on awnings should be located on the vertical portion of the awning for maximum visibility.
9. Canopies or awnings should be placed to give a comfortable human scale underneath them. Normally, this would call for the lowest part of a canopy or awning to be a maximum of 8 feet and a maximum of 10 feet above the sidewalk, and a maximum of 1 foot above the storefront windows.

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Surface Cleaning and Paint Removal

Cleaning the exterior façade is one way to bring new life to the appearance of a building. There are also functional reasons for cleaning, particularly masonry surfaces. Dirt on bricks or stone when combined with water will accelerate masonry deterioration. Cleaning should always be done in the least abrasive manner possible. Improper cleaning and paint removal can also result in the acceleration of the deterioration of the exterior material.

Recommendations:

1. Water or steam cleaning is usually the safest method by which to clean buildings. A low-pressure water (500 psi) or steam method, when accompanied by manual scrubbing and a mild cleanser, will cause the least damage.
2. Paint may be removed with water-soluble alkali and solvent based chemicals applied by brush and removed with medium water pressure or steam spray. A certain chemical reaction of paint removal on material surfaces before proceeding.
3. If a brick façade was originally painted, a soft brick was probably used in construction. These surfaces should remain painted.
4. Avoid cleaning or paint removal by blasting with sand, grit, chips, shells, beads, or other abrasive substances. Blasting will erode surfaces, remove details and may accelerate the complete deterioration of the surface.
5. Avoid using chemicals that adversely affect the building fabric.
6. Avoid wet cleaning when frost is expected.

Section III – Rear Façades

The rear façades of buildings are often a neglected and forgotten resource downtown. The rear façades, especially along the alleys, offer too many buildings potential customer as well as service entries. By being able to enter directly from a parking lot, via an attractive entry, the customer is made to feel welcomed. The visibility of the rear façade from the alley often increases the need to revitalize these surfaces. Like the storefront, the rear entry requires identification and should be made attractive and inviting. This does not, however, imply an elaborate or expensive undertaking. Rather,

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since the rears of buildings are usually plain and unadorned, the revitalization can be undertaken in a simple, straightforward manner. In general, the same recommendations apply to the rear as to the front façades.

Recommendations:

1. Original doors or window openings that are not blocked should be reopened to their original dimensions and filled with appropriate doors or windows.
2. Compatible display windows should be installed to identify the business on or near the entry. Service entries should be clearly marked to avoid confusion.
3. An appropriate sign should be installed to identify the business on or near the entry. Service entries should be clearly marked to avoid confusion.
4. Recommendations established in other parts of the interpretations should be followed.

Section IV– Architectural Details and Decoration

1. **Signs:** The preferred location for the main business sign is flush-mounted on the parapet of a single-story building, or the area between the storefront windows and the second-story windows on a two or more story building. If there is a separate cornice above the storefront, the sign should be below that cornice line. Please refer to the City of Plainwell's Sign Ordinance for proper sign dimensions. Contact Noreen Farmer at Plainwell City Hall at (269) 685-6821 and she can guide you through the sign ordinance too. Another acceptable location for the business sign is on the storefront glass, where painted or stenciled letters may be placed. There should be no additional signs except one in the parking area if the building is further than 100 feet from across the street.
2. **Lighting:** Exterior lighting, including lighting of signs, should be consistent with the historical period indicated for the location of the building. The quality and color of light on or near a building should be comfortable and flattering to the people entering the business. Awning should not be lit with interior bulbs or up-lights.
3. **Architectural Decoration:** Use of architectural decoration is encouraged, as long as it is subordinated to the basic form of the building. Ornament may be in store, fired clay products, or formed metal. If the facade is primarily wood, the ornament may also be of wood. Ornament should be similar in scale and

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proportion to buildings of the period, or of those which are part of the "City Image" for the location of the building.

4. **Kick-Panels Under Storefronts:** The area under the storefront glass may be handled in one of two different ways: A) It can be integrated in with the main masonry or other material of the structure; B) Panels related to the panes of glass can be given separate character with more clear glass or with wood wainscoting of a traditional pattern (beaded or grooved boards or a frame with a beveled central panel set into it).
5. **Screening Utilities:** To the extent possible, screening should obscure such utilitarian objects as trash containers, heating, cooling and ventilation equipment, and electric, gas, and communications devices. Such objects should be located or screened for minimum visibility whether on the ground, on building walls, or on roofs.

Section V – New Buildings

Construction of new buildings on vacant lots downtown should be encouraged. New buildings and second floor additions should strive for excellence in design whether the project is a small, individual, infill construction within the existing downtown blocks, or larger, independently sited projects. Located within the context of an existing architectural setting, the design of new buildings and landscaping should respond positively to the physical character of the downtown. Since a good new design that responds positively to its surroundings can be done in a number of ways, it is not possible to develop specific interpretation that will apply in all cases. Every site has its own design opportunities. However, as a guide, the recommendations below should be followed.

Recommendations:

1. A new building's façade should not pretend to be historic by adding pseudo-Colonial, Victorian, Tudor or other period details in an attempt to blend with the existing environment. This "applied style" approach will only detract from the character of the downtown by compromising what is truly historic.
2. Most buildings downtown share a general similarity in height that should be respected by new buildings. Extreme differences in building heights will have a detrimental visual effect on the appearance of surrounding property.
3. A new building should reflect the existing rhythm, proportion, scale and massing of buildings in the area and their relationship to the site.

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4. New buildings should respect the established setbacks and the spacing between buildings.
5. The form of the roof and cornice treatment of new buildings should respect the established context.
6. The rhythm, scale and proportion of openings in new buildings and their relationship to the wall surface in which they are located should respect the existing buildings.
7. A new building's façade should be composed of materials, textures and colors that complement adjacent façades.
8. New building details and decorations should relate to the details and decorations of the existing surround buildings.

Section VI- Working Capital Specific to Disasters

In the case of a disaster that causes a business to be shut down or compromised for a period of time greater than 1 month you may apply for a loan with the same pay back criteria of 5 years at 1%. Loans are available from \$500 to \$5,000 or an amount determined by the Board.

Recommendations:

1. Working capital, mortgage, utilities, salary, replacement of inventory etc.

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CITY OF PLAINWELL

Small Business Revolving Loan Fund Guidelines

Part I

ELIGIBILITY

- Owners of real property within the City of Plainwell.
- Owners of business establishments within the City of Plainwell. Tenants need written approval from the property owner.

CONDITIONS OF ELIGIBILITY

- Property taxes and other city accounts must be current.
- Only projects consistent with the City Land Use Plan and Zoning Ordinance will be eligible for participation. These plans are available at City Hall. Call 269-685-6821 or visit www.plainwell.org.
- An existing building must be structurally sound with roof intact and meet basic safety and occupancy needs.
- Although priority will be given to existing buildings, new buildings are eligible to the extent the design meets Plainwell's design guidelines.
- Demonstrated ability to create at least one job and retain two jobs for each \$5,000 in assistance.

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ELIGIBLE COSTS

Fixed Asset Financing

This includes funding for rehabilitation, improvements, construction, land, buildings, machinery, and equipment. Funding priority, however, will be based on the following:

- Repair or replacement of windows, doors, walls, or other appropriate architectural elements.
- Exterior painting
- Awnings
- Exterior Lighting
- Masonry repair or cleaning
- Conversion to retail or entertainment storefront
- Restoration of vintage elements
 - Removal of historically unsuitable “modern” facade treatments
 - Removal/replacement of historically unsuitable signs and/or lighting (new signs/lights must be compatible with existing architecture)
 - Repair or restoration of original brick and woodwork
- Restoration and repair of building interiors when found to promote the success of the business
- Architectural fees (up to \$500)
- Materials and labor for work performed in association with above-mentioned improvements.

Note: All work performed in association with a Small Business Revolving Loan application shall be performed by licensed contractors. Use of local contractors is encouraged. Any work that requires the use of scaffolding lifts or other construction equipment in a public area must be effectively barricaded to protect the public from danger.

Operating Funds

This includes operating money reasonably required by the business to sustain its growth as demonstrated by its cash flow analysis. Funding for owner's salaries is not eligible.

INELIGIBLE COSTS

- Expenses incurred prior to approval of site plan by the City of Plainwell
- Mortgage or land contract financing
- Purchase of real estate
- Loan fees
- Site plan, building permit fees
- Appraiser, attorney, interior decorator fees

- Wages paid to applicant, relatives, or friends for work associated with the facade improvement (e.g. payments under the table).
- Furnishings, trade fixtures, display cases, counters, or other items taxed as personal property
- Reusable or removal items
- Any portion of expenses for which applicant pays contractor in merchandise or in-kind services.

PROJECT PRIORITIES

Applications containing the following characteristics will have priority:

- New projects that improve real estate
- Priority will be given to projects located in the traditional downtown district.
- Priority will be given to projects offering visual impact along the city's main streets, e.g. corner lots
- Projects in which the building is owner-occupied
- Projects containing a high ratio of private to public dollars
- Projects designed to remove/replace boarded windows
- Projects designed to resolve deteriorated/inappropriate/ unsightly conditions that have existed for many years (boarded windows, deteriorated electrical fixtures, etc.).
- Projects that enhance pedestrian movement from the rear to the front of buildings.
- Projects designed to restore the historic condition of the building facade or posterior
- Projects that will complete the improvement of a block or portion of a block
- Projects that will result in the remedy of a code violation or blight
- Projects that will result in immediate, tangible change, not to be limited to exterior painting, awnings, signage, window replacement
- Start-up expenses

LOAN AMOUNTS

Maximum Loan Amount: \$10,000 per project- first come first serve and as funds are available

Minimum Loan Amount: **\$1,000**

Maximum Natural Emergency Funds

\$5,000 per business – first come first serve and as funds are available.

Minimum Natural Emergency Amount:

\$500

APPLICATION FEE *\$100 - \$300 depending collateral used*

LOAN TERMS

All borrowers are responsible for repayment to the City of Plainwell in monthly installments for up to five years.

INTEREST RATE

Loan Fee: A loan fee of 1.0% of the Fund loan amount is charged to the borrower. Applicants are encouraged to match or exceed the loan amount requested, but the highest ratio of public/private investment is encouraged.



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Small Business Revolving Loan Fund Guidelines

Part II

APPLICATION CHECK LIST

All interested parties who wish to apply for the Small Business Revolving Loan Fund will submit a completed application packet to the City of Plainwell including an application fee, that varies from \$100-\$300. The application materials to be considered will include the following:

- A Small Business Revolving Loan application can be obtained from the City of Plainwell, Downtown/Community Development Manager's Office, 211 North Main Street, Plainwell, MI 49080 (269) 685-6821.
- A detailed plan illustrating the proposed improvements.
- A construction schedule, from start to finish, must be submitted with the application. Remember that all required permits must be acquired before the start of construction!
- A detailed break out of all costs, including a signed estimate from a qualified contractor.
- Proof that all real and personal property taxes are paid and current.
- Proof of insurance on the property.
- Collateral for the amount of the requested loan funds.
- Application fee - \$100 -\$300 varies due to type of collateral

SELECTION PROCESS

- The application (begins on page 22) is completed by the property owners or tenant of the building with owner's written consent and returned to the City of Plainwell where it will be reviewed for accuracy and issues of compliance by the Small Business Revolving Loan Fund Review Committee.
- Upon recommendation by the Small Business Revolving Loan Fund Committee, the applicant will be notified that his/her project has been accepted for consideration.
- At this point, the application will be evaluated against pre-determined criteria and the United States Department of Agriculture (USDA) will be notified. Additional review or clarification may be necessary. (See Appendix A on page 26 regarding the Secretary of the Interior's Standards for Rehabilitation).
- If approved by the USDA, then permits may be acquired, the project construction may commence, and loan funds will be disbursed. If plan is inconsistent with program goals it will be returned with request for modifications.

Note: The City of Plainwell reserves the right to recommend loan awards it deems to be in the best interest of the City and the Small Business Revolving Loan Fund program. The City of Plainwell reserves the right to nullify loan awards that are found to be non-compliant with the conditions of this program. Non-compliant applicants may not re-apply for a period of one (1) year following the city's decision.

POST-APPROVAL PROCEDURES

- Loans must be paid back to the City of Plainwell incrementally on a monthly basis and paid in full within five years of the project start-date.
- **A \$10 late fee will be charged monthly for overdue loan payments**
- Any changes in the scope of work must be approved by the City of Plainwell prior to construction/installation.
- All approved changes in work verification shall be attached to the original site plan and addendum dated.
- City staff may conduct periodic inspections to ensure compliance with the site plan and adopted eligible activities.

- Collateral: The loans will be fully secured. Collateral on the loans will include liens on real property and machinery and equipment.
- Projects must be completed within one (1) year of notification of project approval by the City of Plainwell. Only under extenuating circumstances, a single extension of time to complete the project can be requested in writing and may be awarded by the City of Plainwell.
- Upon completion of the project improvement, City staff will photograph the new project and submit it to the United States Department of Agriculture (USDA) to ensure that all components of the plan are met.

ITEMS REQUIRED IN THE SELECTION PROCESS

A. Financial Evaluation

The current performance of the business and the financial status of the proposed owners will be evaluated to determine repayment ability. The evaluation will include, but may not be limited to the following criteria:

- **Financial Status of the Business:** This involves an evaluation of prior years' and present financial performance. Financial statements and tax returns for the past two years may be asked to be provided.
- **Financial Status of the Owners:** This involves an evaluation of the prior two years, personal tax returns, personal financial statements, and credit history.
- **Projected cash flow:** Profit and Loss Statements and Cash Flow Statements for the next two years may be required.
- **Collateral/Security Analysis:** An analysis of the assets securing the loan showing evidence of their useful life should be submitted. Appraisals, when necessary, are to be provided.

B. Business Evaluation

A business plan, demonstrating long-term plans for the business, should be provided.

C. Public Purpose Evaluation

- **Quality of Design:** Does the quality of the project result in a high level of tangible change? Does the project demonstrate that it meets Plainwell's design standards? (See pages 4-14)
(10 possible points)

- **Overall Project Impact:** Is the project beneficial to the City of Plainwell? Is the location of the improvement a benefit to the immediate area?
(10 possible points)
- **Economic Impact:** Does the proposed project demonstrate positive economic influence on the City of Plainwell, and will it create new jobs or increase property values in the immediate area? Does the applicant intend to leverage this loan with their own private investment?
(10 possible points)
- **Specifications, Cost Analysis:** Are the specifications complete and does the impact correlate well with the cost involved? Is there value in the project as proposed?
(10 possible points)
- **Timetable for the Project:** Does the timetable provided by the applicant appear feasible and reasonable?
(10 possible points)
- Project meets one or more "project priorities" (see page 17)
(10 possible points)

**City of Plainwell Small Business Revolving Loan Fund
Loan Application**

General Information

Name of Business: _____
 Address of Business: _____
 Company Representative & Title: _____
 Telephone: _____ Fax: _____
 Project Address: _____
 Tax Identification Number: _____
 Duns Number: _____

Business Form

Public Corporation
 Private Corporation
 S-Corporation
 LLC
 Partnership
 Sole-Proprietorship
 Date Established _____

Is the business a subsidiary directly affiliated with any other organization?
 Yes No If Yes, indicate relationship and name of related organization.

Professional Assistance

Bank & Contact: _____
 Address & Telephone: _____
 Accountant & Contact: _____
 Address & Telephone: _____
 Legal Counsel & Contact: _____
 Address & Telephone: _____

Ownership

If privately held, identify all holders of outstanding stock.

Name	SSN	Address	% Ownership
_____	_____	_____	_____
_____	_____	_____	_____

Indebtedness

Furnish the following information on all installment debts, contracts, capital leases, notes and mortgages payable.

To Whom Payable	Original Date	Original Amount	Present Balance	Maturity Date	Rate of Interest	Monthly Payment	Current or Delinquent
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Employment

Existing employees in City of Plainwell: Full Time _____ Part Time _____

New employees in City of Plainwell*: Full Time _____ Part Time _____

* expected in 2 years following loan

	# of new employees	Hourly wage/salary
Managerial	_____	_____
Professional	_____	_____
Skilled Labor	_____	_____
Unskilled Labor	_____	_____
Clerical	_____	_____

Federal resources may be used to fund your loan. The following information is requested by the Federal Government to insure that all Federal programs are accessible to all individuals or businesses. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, this lender may note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below.

I do not wish to furnish this information

Sex: Female Male Ethnicity: Hispanic or Latino
 Not Hispanic or Latino Race: African American Puerto Rican Native American
 Hispanic Eskimo or Aleut Asian Caucasian Multi Group

The City of Plainwell is an EQUAL CREDIT OPPORTUNITY LENDER and will not discriminate in providing services to individuals on the basis of race, color, religion, sex, national origin, age, marital status, family status, or physical or mental disability.

Project Costs

Real Property Acquisition	\$ _____
Building Construction/Renovation	\$ _____
Leasehold Improvements	\$ _____
Machinery & Equipment	\$ _____
Public Infrastructure Improvements	\$ _____
Furniture & Fixtures	\$ _____
Working Capital	\$ _____
Other _____	\$ _____
Total Project Costs	\$ _____
Less: Equity/Company Participation	\$ _____
 Total Financing Needed	 \$ _____

Certification

I certify that all information in this application and all information furnished in support of this application are true and complete to the best of my knowledge and belief. I understand that you will rely on this information in deciding whether to grant credit to me or my firm. I understand that any false statement in this application, or in information furnished in support

of this application, may disqualify me and my firm from consideration for a loan from the City of Plainwell's Revolving Loan Fund. You are authorized to check the credit and employment history of the owners of my firm to assure the credit qualification of the owners and the firm. I understand that you will retain this information whether or not this application is approved. My firm and I also understand that the City of Plainwell does not guarantee in any way that this financing will be secured.

Signature

Name of Business

Name & Title

Date

Loan Agreement:

This agreement is entered into on the _____ day of _____, _____ between the City of Plainwell and _____ (borrower), whose address is: _____

_____, Michigan.

The City of Plainwell, by resolution adopted on _____, _____ has approved a Small Business Revolving Loan Fund recommendation to borrower subject to execution of this agreement.

Borrower desires to accept the loan and to abide the terms of this agreement.

The City of Plainwell has approved a loan recommendation in the amount of \$_____.

The parties agree as follows:

1. Borrower reaffirms that all information provided to the City of Plainwell is correct and accurate.
2. Borrower has read and agrees to abide by the provisions and requirements of the City of Plainwell Small Business Revolving Loan Program.
3. All work performed by the borrower will be consistent with the approval by the City of Plainwell. If borrower decides to make any changes in the project, Borrower will obtain written approval from the City of Plainwell before implementing such changes. Borrower understands that the City of Plainwell is not required to approve any changes.
4. Borrower agrees to complete the improvements within one year from the date of this agreement; and understands that failure to complete improvements within such time period will result foreclosure of the loan. Extension of the loan may be requested by the borrower and approved at the discretion of the City of Plainwell.
5. During the period of construction, borrower or its contractor agrees to keep in full force the effect a policy of commercial liability insurance in an amount of not less than one million dollars (\$1,000,000) and to name the City of Plainwell as additional insured on such policy.
6. Borrower agrees to indemnify and hold harmless the City of Plainwell from any and all claims arising out of work performed.
7. Borrower will notify the City of Plainwell in borrower's interest in the subject property changes in any way. This agreement is not assignable by Borrower without prior written approval of the City of Plainwell, which will not be reasonably withheld.

8. In further consideration of the loan, borrower hereby agrees that finished improvements will not be altered from approved plan without the written approval of the City of Plainwell, which approval will not be unreasonably withheld.

9. Borrower hereby grants to the City of Plainwell the right to use pictures, renderings, or descriptions of the work for any and all promotional purposes.

10. Installment payments of principal in the amount of _____ will be paid monthly to the City of Plainwell on the first of the month for _____ months starting _____, 201_.

11. All closing costs and recording fees will be the responsibility of the borrower.

12. Each applicant is limited to no more than one application each year, with priority given to new applicants.

DEFAULT AND REMEDY

To access program funds, applicants must demonstrate a bona fide commitment to implement building improvements and must certify that construction will commence within 60 days of funding approval and that the Project will be completed within 300 days thereafter. Applicant will be in default if rehabilitation is not undertaken within the specific time period, with 100% of paid costs and expenses to be reimbursed to the City of Plainwell.

In the event of default all program funds applied to the project shall become due and payable, plus collection costs and reasonable attorney fees, if applicable. One or more of the following events shall constitute default:

1. The Owner/Applicant fails to pay, when due, the loan payment, any real estate taxes or special assessments on the subject property.
2. The Owner/Applicant expends program funds for uses other than approved project costs as represented in the original application.
3. If, during a period of five (5) years following the completion of the project, the Owner/Applicant transfers ownership or interest in subject property to another party, unless, such transfer secures the prior written approval of the City of Plainwell.
4. Borrower defaults on private bank loan or other public financing made in conjunction with the Small Business Revolving Loan Fund.

In witness whereof, the parties have signed this agreement on the day and year first above written.

In the presence of _____
The City of Plainwell

In the presence of _____
Borrower

Date _____

SECTION 7 - INFORMATION FOR GOVERNMENT REPORTING PURPOSES

Federal resources may be used to fund your loan. The following information is requested by the Federal Government to insure that all Federal programs are accessible to all individuals or businesses. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, this lender may note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below.

I do not wish to furnish this information

Sex: Female Male

Ethnicity: Hispanic or Latino
 Not Hispanic or Latino

Race: African American Puerto Rican Native American Hispanic
 Eskimo or Aleut Asian Caucasian Multi Group

Appendix A

Secretary of the Interior's Standards for Rehabilitation:

The rehabilitation information and recommendations in these guidelines are consistent with the following standards adopted by the Secretary of Interior, through the National Park Service to guide preservation projects nationwide. The standards pertain to historic buildings of all materials, construction types, and sizes, and they are concerned with both the exteriors and interiors of historic buildings. The Standards also encompass related landscape features and the building's site and environment as well as attached adjacent or related new construction. As written, the Standards are principally used when the National Park Services evaluates projects using the 20% Historic Rehabilitation Tax Credit, but are useful for anyone interested in preserving a building's character during rehabilitation.

The Secretary of the Interior's Standards are based on a two-part rehabilitation philosophy:

1. Retention of original or historic materials to the greatest extent possible; and
2. Avoiding the creation of false "historic" appearance.

To achieve these two goals, the National Park Service and most state and local preservation agencies and organizations discourage removal of existing historic building elements. If such elements are very deteriorated, they may be replaced, preferably with salvaged historic architectural elements from other buildings. Historic building interiors are considered as important as exteriors and as worthy of sensitive treatment. The basis of this preservation philosophy is that preservation has both real and intangible benefits, primarily the increased economic value and the higher quality of life that comes with careful preservation of historic structures and their original character and materials.

The Secretary of the Interior's Standards for Rehabilitation are as follows:

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site environment.
2. The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided. Each property shall be recognized as a physical record of its time, place and use. Changes that create a false sense of historical development, such as adding conjectural features of architectural elements from other buildings, shall not be undertaken.
3. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.

4. Distinctive features, finishes and construction techniques or examples of craftsmanship that characterize a property shall be preserved.
5. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical or pictorial evidence.
6. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
7. Significant archaeological alterations or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale and architectural features to protect the historic integrity of the property and its environment.
8. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

In other words, ...

Retaining sound older building materials, ornamentation and details is ideal; avoid changes that cause removal or alteration of such elements.

When such historic features are deteriorated, it means replacing them with new ones as close to the originals as possible- preferably in the same materials.

It means making changes in a sensitive way- constructing additions that do not overwhelm the original building and that are clearly secondary to it; avoiding gratuitous removal of trim and details, especially during roofing or siding projects.

Resist the temptation to "early up" a building by applying false historic details or giving it a character that it never had.

In cleaning historic masonry, the goal should be to find an effective cleaning method that uses the least amount of water, detergent, or chemicals that will get the job done.

The Standards also recognize that buildings need modern plumbing, heating, wiring, and air conditioning. Such work is entirely acceptable, but it should be done in a way that is unobtrusive and does not cause loss of important historic building materials.