

COMMERCIAL KITCHEN REVOLVING LOAN PROGRAM



The purpose of the Commercial Kitchen Revolving Loan Program is to establish a fund to assist building owners with the implementation of the Jordan Downtown Master Vision, to encourage continuation of a viable downtown by allowing prime retail sales and service uses, restaurants, office, entertainment facilities, public and semi-public use, and in special circumstances, residential use; and to preserve and build on the historic character of the downtown using the historic and natural resources available to create a tourist destination as well as to provide a unique blend of retail and service businesses for the convenience of local residents. The loan program can be used city-wide for commercial redevelopment projects. This is not intended for new construction.

RIGHT TO RESTRICT

The Jordan EDA and City Council reserve the right to restrict the use of loan funds.

Minimum Requirements: All building renovation is to be brought into conformance with City codes and policies.

Use of Funds: Restaurant kitchen equipment including but not limited to hoods, fire suppression, fryers, ovens, refrigeration and grills. (Excluded is general business furniture to be used outside of the commercial kitchen area)

Maximum Available: \$5,000 minimum, up to a maximum amount cost of \$50,000 whichever is less.

Interest Rate: Loans shall be at 2% less than the project's participating lender's rate. If there is no participating lender the interest rate shall be 2% below the Federal Prime Rate and fixed at the time a completed application form is presented for consideration. However, in no case shall the interest rate be less than 2%.

Terms: Financing terms will not exceed five (5) years. As part of loan closing, payment will be established by A.C.H. for automatic check withdrawal from the borrower's checking account.

Collateral Requirements: Personal guarantees, junior mortgage on building and/or assets. Applicant must demonstrate the financial means to repay the loans, as determined by the EDA. The applicant must demonstrate that the assets involved are issued for an amount not less than the total outstanding loans.

Fees: \$150 Processing Fee plus \$20 for each name search required for UCC.

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Applications Accepted: On a year-round basis through the Economic Development Authority single application process.

Disbursement of Funds: Upon approval of the loan application and satisfaction of any conditions of approval.

REPAYMENT

The Business receiving the loan must remain in business within the improved building for two (2) years following the distribution of loan funds. If the applicant transfers ownership to another entity, the new entity must maintain the business in the improved building for one (1) and follow the same terms.

LOAN AMOUNT

Minimum loan amount will be \$5,000, up to a maximum total loan amount of \$50,000, at the discretion of the Jordan EDA.

A loan cannot exceed 90% of the estimated market value of the project.

Loans shall be at 2% less than the project's participating lender's rate. If there is no participating lender the interest rate shall be 2% below the Federal Prime Rate and fixed at the time of a completed application form is presented for consideration. However, in no case shall the interest rate be less than 2%.

Financing terms will not exceed five (5) years.

As part of loan closing, payment will be established by A.C.H. for automatic check withdrawal from the borrower's checking account

CONFLICT OF INTREST

Conflict of Interest: The applicant shall submit the name(s) of the owner(s), shareholder(s), partner(s) sole proprietor, corporation member(s) or other person(s) or business(es) with any financial interest in the project and its financing in order to preclude any conflict of interest in the loan review and approval process.

In order to assist building/business owners in implementing "Central Business District Design Standards" if in the Downtown. Funds will vary and are available on a first come-first serve basis, while funds remain.

LOAN GUIDELINES

Following are general loan program guidelines: Eligible Applicants: including mixed-use building owners and tenants of a commercial property. Applicants may be individual owners, partnerships corporations, tenant operators or contract for deed purchasers of property within Jordan's City limits, but must provide all documentation of entity status requested on the application form.

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The property in which the applicant's business must be of a conforming use or legal non-conforming use under the Jordan Zoning Ordinance. Revolving Loan Funds are available to properties within the Jordan City limits in commercial zoning which are making changes approved by a building inspector. The Applicant cannot be delinquent on taxes or water bills in order to qualify or receive payment.

Project Commencement: Projects utilizing the matching grant program may not begin prior to approval of the design review, approval of the matching grant or issuance of a building permit.

Duration/Time Frame Matching: Funds may be made under these policies to the extent funds are available, as allocated to the fund by the Jordan Economic Development Authority. Applicants who have completed a project have one year before applying for funds again. City will not accept or approve additional applications until the previous application have been completed. Once funds are granted, applicants have one year to complete a project.

Procedure: Preferred method on application timing is to approach Planning staff, then the EDA and the City Council.