



## POLICY

### Batavia Micropolitan Area Community Redevelopment Fund

(Last Revised 9/6/18)

**Purpose:** A low interest loan fund to foster investments in business districts across the Batavia Micropolitan area which facilitates redevelopment of underutilized building and sites including adaptive reuse projects including mixed-use projects that may include a housing component.

**Related Purpose:** To foster additional economic development projects in downtowns and core business district areas enabling GCEDC project participation.

**Funded by:** Strategic Investments from Genesee County EDC's affiliate, Genesee Gateway Local Development Corporation (GGLDC)

**Approving Board:** GGLDC

**Administered by:** GCEDC

**Revitalization Fund:** \$500,000

**Key Decision Criteria:** Scope of planned redevelopment, impact on business district / neighborhood, level of investment, long term tax base enhancement, jobs (indirect)

#### Program Elements:

1. Minimum Loan: \$25,000
2. Maximum Loan: \$200,000
3. Interest Rate: Variable; Prime; 3% Floor; readjusted annually (in January); Grace Period = interest only during project redevelopment period (1 year max.)
4. Application Fee: \$250 (non-refundable)
5. Origination Fee: 2% + legal and filing fees

6. Economic Development Partner Fee (non-profit or municipal E.D. organizations): 50% of the origination fee (1%)
7. Amortization Period: 3 to 10 years including grace period
8. Gap Financing: Must be combined with bank approved financing and / or project developer "Equity" of minimum 30% of total project costs.
9. Preference area: adaptive re-use or underutilized building redevelopment
10. Collateral: required; subordination to bank or other debt source is allowed
11. Personal Guarantees: Yes
12. Business Plan Submission: Yes