

# Kingston Local Development Corporation

## KLDC Façade Loan Program

The Kingston Local Development Corporation's (KLDC) Façade Loan Program provides low-interest financing to support eligible façade improvements.

The Façade Loan Program now offers an increased maximum loan amount of \$35,000. Financing is currently offered at a fixed 4% interest rate, with a maximum loan term of 72 months. No pre-payment penalty applies. There will be a 5% late fee penalty for all payments received ten (10) days after due date

*Interest rates and loan terms are subject to change at the sole discretion of the KLDC Board and applicable approvals.*

The KLDC Façade Loan program is a secured loan product; KLDC does not offer unsecured loans.

\*\* Applicants must identify and provide collateral acceptable to KLDC, and such collateral must be sufficient to secure the full amount of the loan being requested. In addition, KLDC reviews the applicant's business financial statements—including balance sheets and profit and loss statements—as well as personal financial statements and tax returns. This information is used to assess overall creditworthiness and determine the applicant's ability to repay the requested loan.

Applications that do not include required collateral and financial documentation will be deemed incomplete and will not advance in the review or approval process.

The KLDC will consider the following criteria in reviewing applications: adherence to application and design guidelines, economic development value, other potential positive impact, visual prominence of the façade, degree of deteriorating conditions and comprehensiveness of the project. This loan product is for the correction of blighting conditions such as peeling paint, boarded up windows or windows in poor condition, signage, replacement of missing historic elements, modification or removal of inappropriate alterations and general cosmetic improvements.

For the purpose of *this* program, **façade is defined as the primary front exterior face of the building that is visible when viewed straight on from the street, where the main public entrance is located. Eligible improvements are limited to this primary frontage only.** Side elevations, rear elevations, and any portions of the building visible from secondary streets are not eligible.

Commercial property owners located in commercial buildings in the City of Kingston are eligible. At the time of application and throughout the period of the façade project, applicants and their contractors must be in good standing with the City with respect to licenses, taxes, codes, ordinances and regulations.

# Kingston Local Development Corporation

If your property is located within a Historical or Heritage Area, a copy of the Certificate of Appropriateness from the Historic Landmarks Preservation Commission (HLPC) or the Heritage Area Commission (HAC) **approving changes being made must be submitted along with grant application.** Guidelines for improvements within the Historic District and the Historical Landmarks Preservation areas can be obtained via [www.kingston-ny.gov](http://www.kingston-ny.gov) . For questions or further information, please contact 845-334-3931.

**Prior** to commencement of work, the *applicant is required* to provide copies of any required building and sign permits to KLDC. Contractor estimates will be required in conjunction with application submission.

**\*\*** This program operates on a reimbursement basis similar to a construction loan. Borrowers are required to pay all vendors and contractors directly. Electronic debits or credit card payments do not, on their own, constitute acceptable proof of payment to a vendor or contractor. For this reason, KLDC requires payment by check, along with submission of paid invoices, along with copies of the cancelled checks (front and back). Once staff receives and verifies required documentation, KLDC will process reimbursement for eligible costs.

The project should be completed within six (6) months from the first advance of funds unless an extension is authorized and approved by the KLDC Board. Funds will be advanced during the project based upon inspection of premises.

Interest only will be paid on funds advanced until project completion. At that time, repayment of Principal plus Interest will commence 30 days from final inspection/approval.

There is a **non-refundable application/processing fee of \$100.00**. While we may forgo the traditional collateral requirements based on individual request from applicant, each applicant must complete all required forms and provide a personal guarantee.

Upon approval, you will be responsible for a **1% administration fee** payable to the Kingston Local Development Corporation at the time of closing. You will also be responsible for **all costs associated with the closing and attorney fees for preparation of the closing documents.**

# Kingston Local Development Corporation

## OVERVIEW

- Applicant must reside in Ulster County
- Business must be located within the City of Kingston
- Applicant must be a minimum of 21 years of age
- Applicant must be the owner of the building for which loan is being applied for
- Borrower must show ability to repay

## REPAYMENT TERMS, INTEREST RATES, and FEES

Loan repayment terms vary according to several factors:

- Loan Amount
- Planned use of funds
- Requirements determined by staff and committee
- Needs of the small business borrower

**FOR YOUR CONVENIENCE, A CHECKLIST CAN BE FOUND AT THE END OF THIS APPLICATION PACKET TO ENSURE YOU HAVE EVERYTHING REQUIRED FOR YOUR APPLICATION SUBMISSION PER THE INSTRUCTION SHEET.**

# Kingston Local Development Corporation

## Façade Loan Application Instruction Sheet

Please complete the attached application for financial assistance in its entirety. Do NOT leave any blanks. Be sure that the application is signed, and all supporting documents are included, as required. The application and requested attachments may be subject to Freedom of Information Laws (FOIL).

The application is to be submitted with the following attachments:

**A. COVER LETTER** to the KLDC Executive Director stating why you are applying to the loan fund for financing and a description of the proposed facade improvement project to be undertaken.

**B. APPLICATION FEE** of \$100.00 for Façade Loan made payable to: Kingston Local Development Corporation.

**C. BUSINESS FINANCIAL STATEMENTS;** Balance Sheet and Reconciliation of Net Worth; Copies of prior three (3) year's business (or current interim) financials; a completed Personal Financial Statement and prior three (3) year's personal Federal Tax returns along with most recent W-2 to verify income; AND applicant must provide a current credit report which can be obtained at no cost at [www.ftc.gov](http://www.ftc.gov) within 30 days of submission of application.

**THE APPLICATION: Sections I, II III.** Please complete the attached application for financial assistance in its entirety. Section I refers to the proprietor, general partner or corporate officer(s) signing this application form. Based on the Structure of Business, please provide copies of supporting business documents. Also please provide a brief history of your company and principals background as well as a copy of a valid/current state driver's license or non-driver's ID. If your business is a franchise, please submit a copy of the franchise agreement.

**Section IV.** Summary of Collateral. If your collateral consists of Land and Buildings, KLDC requires a recent bone fide appraisal of the real estate supporting the value stated in the application and a letter from the current mortgage holder stating the remaining principal balance and consenting to an additional lien position.

**Section V.** Sources and Uses of Funds for Project. Complete the chart to show all funding sources and all uses of the project funds.

**Exhibit B.** Include contractor estimates for improvements, construction or renovations.

KLDC staff will review the application and supporting documents. When the application is complete and the eligibility criteria have been met, the Finance Committee will review the complete application package at which time a Loan Fund Committee Report will be completed and presented to the KLDC Board of Directors for consideration.

# Kingston Local Development Corporation

## KLDC Façade Loan Program - *Additional Exhibit(s)*

Type of improvements being proposed:

\_\_\_\_\_ Restoration of Historical Elements    \_\_\_\_\_ Painting/Maintenance

\_\_\_\_\_ Windows/Shutters    \_\_\_\_\_ Other

Briefly describe the improvements:

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Location:    \_\_\_\_\_ Historic District    \_\_\_\_\_ Heritage Area

Eligible properties include commercial buildings in the Historic District and Heritage Area. Approval from HLPC and/or HAC is required for exterior improvements and changes within the Historic District and/or Heritage Area.

HLPC Approval Date: \_\_\_\_\_ Date Application Received: \_\_\_\_\_

HAC Approval Date: \_\_\_\_\_ Date Application Received: \_\_\_\_\_

1. Photographs clearly showing both the **before** and **after** of completed improvements;
2. A brief statement (to be attached separately) describing any project elements that were not completed or any approved changes from the original plans;
3. If the project is in the Historic District or Heritage Area, written evidence of HLPC and/or HAC inspectional approval;
4. If a building permit is required, a copy of the approved final inspection issued by the Department of Building & Safety.

# Kingston Local Development Corporation

## Façade Loan Application for Financial Assistance

### SECTION I - APPLICATION / PERSONAL INFORMATION

Name: \_\_\_\_\_

Address: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Primary Telephone No: \_\_\_\_\_ Fax No. : \_\_\_\_\_

Email Address: \_\_\_\_\_

### SECTION II - INFORMATION ABOUT YOUR BUSINESS AND BUSINESS LOCATION

Name of Business: \_\_\_\_\_

Address of Business: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Business Telephone No.: \_\_\_\_\_ Business Fax No.: \_\_\_\_\_

Description of Business: \_\_\_\_\_

\_\_\_\_\_

Structure of Business (DBA, S, Corporation, LLC, etc.) \_\_\_\_\_

Date Established: \_\_\_\_\_ Date of Incorporation: \_\_\_\_\_

Federal ID Number: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

Bank where your Business has an account:

Name of Bank: \_\_\_\_\_

Address of Bank: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

# Kingston Local Development Corporation

## Number of Employees:

Presently employed \_\_\_\_\_ Full Time \_\_\_\_\_ Part Time \_\_\_\_\_ FTE

Current jobs retained after project \_\_\_\_\_ Full Time \_\_\_\_\_ Part Time \_\_\_\_\_ FTE

Jobs created after project \_\_\_\_\_ Full Time \_\_\_\_\_ Part Time \_\_\_\_\_ FTE

Briefly describe the project for which this loan money is intended:

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## **SECTION III - INFORMATION ABOUT MANAGEMENT**

List the names of all owners (having 20% or greater interest), officers, directors and/or partners. Provide the percentage of ownership and the annual compensation. If more space is required, attach a separate sheet.

Name and Title: \_\_\_\_\_

Address: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

Percentage of Ownership: \_\_\_\_\_ % Annual Compensation: \$ \_\_\_\_\_

Name and Title: \_\_\_\_\_

Address: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

Percentage of Ownership: \_\_\_\_\_ % Annual Compensation: \$ \_\_\_\_\_

Name and Title: \_\_\_\_\_

Address: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

# Kingston Local Development Corporation

Percentage of Ownership: \_\_\_\_\_ %    Annual Compensation: \$ \_\_\_\_\_

## SECTION IV - SUMMARY OF COLLATERAL

All loans made through the Revolving Loan Fund are secured. Please list items to be secured. Prior to closing, you will be required to provide an appraisal and deed for real property; or a list of make, model, serial number and appraised value for machinery, equipment, furniture or fixtures.

	Present Market Value	Present Mortgage Value	Date Purchased	Cost Less Depreciation
A) Land and Building	\$	\$	/ /	\$
B) Personal Residence	\$	\$	/ /	\$
C) Other	\$	\$	/ /	\$
<b>Total Collateral Offered</b>	\$	\$		\$

## SECTION V - SOURCES AND USES OF FUNDS FOR PROJECT

### PROJECT BUDGET - SUMMARY OF PROPOSED EXPENDITURES

USE OF FUNDS	SOURCE OF FUNDS			Total
	LDC Loan Fund	Owner Equity	Bank / Other (specify)	
Land Acquisition				
Clearance and Demolition				
Streets / Site Improvements, Parking Facilities				
Water / Sewer Facilities				
Buildings: ___ Acquisition ___ Construction ___ Renovation /				
Reconstruction				
Capital Equipment: ___ New ___ Used				
Furniture / Fixtures ___ New				

# Kingston Local Development Corporation

<b>___Used</b>				
<b>Professional Fees</b>				
<b>Working Capital</b> (attach a detailed list)				
<b>Contingencies</b>				
<b>TOTAL PROJECT COSTS</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

**Term of Loan Requested:** \_\_\_\_\_ **years / months**

# Kingston Local Development Corporation

## PERSONAL FINACIAL STATEMENT

Complete this form for (1) each proprietor, or (2) limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock and each corporate officer and director, or (4) any other person or entity providing a guaranty on the loan.

Name: \_\_\_\_\_

Residence Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Business Name of Applicant / Borrower: \_\_\_\_\_

### **ASSETS**

Cash on hand and in banks \_\_\_\_\_

Savings Accounts \_\_\_\_\_

IRA or Other Retirement Account \_\_\_\_\_

Accounts & Notes Receivable \_\_\_\_\_

Life Insurance-Cash Surrender Value Only (Complete Section 8) \_\_\_\_\_

Stocks and Bonds (Describe in Section 3) \_\_\_\_\_

Real Estate (Describe in Section 4) \_\_\_\_\_

Automobile - Present Value \_\_\_\_\_

Other Personal Property (Describe in Section 5) \_\_\_\_\_

Other Assets (Describe in Section 5) \_\_\_\_\_

TOTAL \$ \_\_\_\_\_

# Kingston Local Development Corporation

## **LIABILITIES**

Accounts Payable \_\_\_\_\_

Notes Payable to Banks and others (describe in Section 2) \_\_\_\_\_

Installment Accounts (auto) \_\_\_\_\_

Installment Accounts (other) \_\_\_\_\_

Loan on Life Insurance \_\_\_\_\_

Mortgages on Real Estate (describe in section 4) \_\_\_\_\_

Unpaid Taxes (describe in section 6) \_\_\_\_\_

Other Liabilities (describe in section 7) \_\_\_\_\_

Total Liabilities \$ \_\_\_\_\_ Net Worth \$ \_\_\_\_\_

Total \$ \_\_\_\_\_

As Endorser or Co-Maker \_\_\_\_\_

Legal Claims & Judgements \_\_\_\_\_

Provision for Federal Income Tax \_\_\_\_\_

Other Special Debt \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# Kingston Local Development Corporation

**Section 1.** (Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted towards Income.)

Salary \_\_\_\_\_

Net Investment Income \_\_\_\_\_

Real Estate Income \_\_\_\_\_

Other Income (Describe Below) \_\_\_\_\_

Description of other Income:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Section 2**

**NOTES PAYABLE TO BANKS AND OTHERS**

Name & Address of Note Holder	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

**Section 3**

**STOCKS AND BONDS**

Number of Share	Name of Securities	Cost	Market Value Quotation / Exchange	Date of Quotation / Exchange	Total Value

# Kingston Local Development Corporation

## Section 4

## REAL ESTATE OWNED

	Property A	Property B	Property C
Type of Property			
Name & Address of Title Holder			
Date Purchased			
Original Cost			
Present Market Value			
Name and Address of Mortgage Holder			
Mortgage Account Number			
Mortgage Balance			
Amount Payment per Month / Year			
Status of Mortgage			

## Section 5

**OTHER PERSONAL PROPERTY AND ASSETS:** *(Describe, and if any is pledged as security, state name and address of lien holder amount of lien, terms of payment, and if delinquent, describe delinquency.)*

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## Section 6

**UNPAID TAXES:** *(Describe in detail, type, to whom payable, when due, and to what property, if any, attach tax lien.)*

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# Kingston Local Development Corporation

## Section 7

**OTHER LIABILITIES:** *(Describe in detail)*

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## Section 8

**LIFE INSURANCE HELD:** *(Give face amount and cash surrender value of policies – name of insurance company and beneficiaries.)*

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### PERSONAL FINANCIAL STATEMENT

Have you ever gone through Bankruptcy or comprised a debt?  NO  YES  
If YES, Please **attach** an explanatory statement.

If this is a statement of you and your spouse, are any assets a spouse's separate property?  NO  YES  
If YES, Please **attach** an explanatory statement.

Are any assets pledged or debts secured except as shown above?  NO  YES  
If YES, Please **attach** an explanatory statement.

# Kingston Local Development Corporation

## Façade Loan Application for Financial Assistance

The information contained in this statement is provided for the purpose of obtaining a loan from funding programs on my / our behalf or on the behalf of firms or corporations in whose behalf I / we may, either severally or jointly with others, execute a guaranty in favor of the funding program. I / we understand that this information, including the designation made as to ownership of the property will be used in deciding to grant or continue credit. I / we certify that the information provided is true and complete to the best of my / our knowledge. I / we authorize the loan fund administrator to check my / our credit history and employment listing or to make all other inquiries you deem necessary to verify the accuracy of the statements made on this form in determination of my/our credit-worthiness and answer questions about or report my/our credit experience.

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Social Security Number)

\_\_\_\_\_  
(Date)

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\_\_\_\_\_  
(Print Name – *Joint Applicant*)

\_\_\_\_\_  
(Signature – *Joint Applicant*)

\_\_\_\_\_  
(Social Security Number)

\_\_\_\_\_  
(Date)

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\_\_\_\_\_  
(Print Name – *Joint Applicant*)

\_\_\_\_\_  
(Signature – *Joint Applicant*)

\_\_\_\_\_  
(Social Security Number)

\_\_\_\_\_  
(Date)

## KLDC Façade Loan Application Checklist

- \_\_\_\_\_ **COVER LETTER** to the KLDC Executive Director stating why applicant is applying for financing.
- \_\_\_\_\_ **APPLICATION FEE** of \$100.00 for Façade Loan made payable to: Kingston Local Development Corporation.
- \_\_\_\_\_ **BUSINESS FINANCIAL STATEMENTS**
- \_\_\_\_\_ Balance Sheet and Reconciliation of Net Worth
- \_\_\_\_\_ Copies of prior three (3) year's business (or current interim) financials
- \_\_\_\_\_ Completed Personal Financial Statement and prior three (3) years personal Federal Tax returns
- \_\_\_\_\_ Most recent W-2 to verify income
- \_\_\_\_\_ Applicant must provide a current credit report which can be obtained at no cost at [www.ftc.gov](http://www.ftc.gov) within 30 days of submission of application.

### **THE APPLICATION: Sections I, II III**

- \_\_\_\_\_ Completed financial assistance in its entirety.
- \_\_\_\_\_ Section I refers to the proprietor, general partner or corporate officer(s) signing this application form.
- \_\_\_\_\_ Based on the Structure of Business, please provide copies of supporting business documents (NYSDOS business Certificate).
- \_\_\_\_\_ Brief history of company and principals' background
- \_\_\_\_\_ A copy of a valid/current state driver's license or non-driver's ID.
- \_\_\_\_\_ If your business is a franchise, please submit a copy of the franchise agreement.
- \_\_\_\_\_ **Section IV.** Summary of Collateral. If collateral consists of Land/Buildings, KLDC requires a recent bone fide appraisal of the real estate supporting the value stated in the application and a letter from the current mortgage holder stating the remaining principal balance and consenting to an additional lien position.
- \_\_\_\_\_ **Section V.** Sources and Uses of Funds for Project. Completed chart to show all funding sources and all uses of the project funds. If selected Working Capital or Contingencies, submission of a list on a separate sheet of paper describing uses. For capital or other fixed asset purchases, please provide an itemized list.
- \_\_\_\_\_ **Exhibit B.** Included contractor estimates for improvements, construction or renovations. Purchase contracts for land and building acquisitions if applicable to this loan.