

# Village of Mount Horeb

## Façade Improvement Grant Program

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Revised: January 21, 2021



The purpose of the Façade Improvement Grant Program is to provide financial assistance for a portion of costs associated with exterior building improvement projects that contribute to the visual appeal and viability of income-producing properties in downtown Mount Horeb, more specifically defined as the parcels and buildings within or immediately adjacent to the boundaries of Tax Increment District No. 5 (TID #5).

### Applicant Eligibility Requirements

Downtown property owners of commercial/mixed-use structures (including multifamily residential) and non-residential building tenants with leases of more than three years in length (with property owner approval), located within the downtown area, are eligible for funding. Buildings used exclusively as single-family or duplex residences, regardless of owner or renter occupancy, are ineligible for funding. Governmental entities, religious institutions, nonprofits, and public/quasi-public authorities also are ineligible for funding.

### Grant Amounts

Grants may be provided in an amount up to 25% of the total project cost, at a maximum of \$5,000 per façade for eligible exterior improvements, not to exceed \$10,000. The owner/tenant must document the source(s) of all matching funds, which must be derived from private, non-Village sources. Façade grant funds may be provided in addition to, or independent of, Commercial Building Improvement Grant or Façade/Building Loan funds subject to review and approval of separate application(s) for each program.

Should a comprehensive rehabilitation project also include interior elements eligible for funding under the Commercial Building Rehabilitation Program, the Village reserves the right to waive the multiple application requirement noted above; consider the appropriate source of funding for such elements independently; and/or count such elements against the minimum costs requirements under the Façade Improvement Grant Program. However, a separate application fee shall be required for each program from which funding is requested.

### Eligible Costs

The following improvements to street-facing exteriors/façades, and those the Village finds to be substantially similar, are eligible for direct funding from the Façade Program provided such improvements generally are not tenant-specific and are likely to benefit/serve future building occupants. The same types of improvements to alley-facing exterior/façades also are eligible if façade includes a publicly accessible building entrance.

- Restoration of documented historic elements
- Masonry repair, tuckpointing, and cleaning
- Balconies and decks
- Doors and entrances
- Window repair or replacement
- Painting
- Business signage
- Fabric awnings
- Lighting
- Professional installation and labor costs
- Professional design services

## **Ineligible Expenses**

As the Façade Program is primarily intended to maintain the historic look and feel of the existing building stock in the downtown, the following expenses, and those the Village finds to be substantially similar, are not eligible for funding under this Program:

- Roofing or roof repairs
- Tinted windows
- Vinyl awnings
- Electric signs
- Security systems
- Paving
- Landscaping
- New building construction
- Land acquisition
- Operating equipment
- Furnishings
- Inventory
- Operating expenses
- **Renovations not previously approved by the Historic Preservation Commission/Plan Commission**
- **Renovations started prior to receiving final approval of the grant request**

## **Grant Performance Requirements**

Within six months of Village Board approval, applicants must enter into a grant agreement with the Village, obtain a building permit, and commence work. Projects should be completed within twelve months from the date of Village Board approval, including final inspection and issuance of an occupancy certificate by the Village Building Inspector. Extensions to the completion period may be granted for inclement weather, or the ordering of special building materials. The applicant must request an extension from the Grant/Loan Review Committee in writing. The Committee will notify the applicant in writing of its approval or denial.

Funding-eligible improvements must be in accordance with the U.S. Secretary of the Interior's Standards of Rehabilitation for Historic Preservation (as applicable), as well as Village of Mount Horeb ordinances Chapter 17, Zoning Code, and Chapter 14, Building Code. The applicant shall continually maintain the property in compliance with all applicable local, state and federal laws, rules and regulations and as necessary to prevent deterioration of the property and to present an attractive appearance, and shall assist and actively cooperate with the Village to ensure the applicant's contractors also comply with all applicable laws, rules and regulations. The applicant also shall be subject to other Ongoing Responsibilities for property insurance and maintenance per terms of an approved grant agreement.

**In order to qualify, the applicant cannot start on the project until after receiving all necessary approvals and permits. If work begins before application or approval, the Village cannot fund the project with a Building Improvement Loan.**

## **Program Administration**

The Village has appointed the Mount Horeb Area Economic Development Director to administer the Façade Program and assist with processing applications through the grant review and approval process. Please see the Façade/Building Improvement Grant and Loan Application Form for additional terms, conditions and information on the application review procedure. Projects also will be subject to review and approval for code compliance by the Village Plan Commission, Historic Preservation Commission and/or Village Board.

A non-refundable application fee of \$50 must be paid at the time of submission. The applicant must be in good standing with the Village of Mount Horeb, with current taxes paid in full and no outstanding building code violation citations, and must provide proof of property and liability insurance prior to start of grant performance period. Applications are reviewed on a first-come, first-served basis within a calendar year, subject to funding availability. All questions should be directed to Village Administrator Nicholas Owen, 608-437-9409, [nic.owen@mounthorebwi.info](mailto:nic.owen@mounthorebwi.info)



The purpose of the Commercial Building Rehabilitation Grant Program is to assist business and property owners in making lasting improvements to buildings and sites for the benefit of current and future occupants, and to improve the overall quality of the buildings in downtown Mount Horeb, more specifically defined as the parcels and buildings within or immediate adjacent to the boundaries of Tax Increment District No. 5 (TID #5). Accordingly, the Program prioritizes those improvements that are not tenant-specific although the Village recognizes that some tenants will require a substantial investment in permanent improvements specific to their operations. The cost of such improvements, then, may be used as part of the required match for the grant.

### **Applicant Eligibility Requirements**

Downtown property owners of commercial/mixed-use structures (including multifamily residential) and non-residential building tenants with leases of more than three years in length (with property owner approval) are eligible for funding. Buildings used exclusively as single-family or duplex residences, regardless of owner or renter occupancy, are ineligible for funding. Governmental entities, religious institutions, nonprofits, and public/quasi-public authorities also are ineligible for funding.

### **Grant Amount**

Grants may be provided in an amount up to 25% of total project costs, up to a maximum Village contribution of \$25,000. Rehabilitation grant funds may be provided in addition to, or independent of, Façade Improvement Grant or Commercial Rehabilitation Loan funds subject to review and approval of separate application(s) for each program.

Should a comprehensive rehabilitation project also include exterior elements eligible for funding under the Façade Improvement Program, the Village reserves the right to waive the multiple application requirements listed above; consider the appropriate source of funding for such elements independently; and/or count such elements against the minimum costs requirements under the Rehabilitation Grant Program. However, a separate application fee shall be required for each program from which funding is requested.

### **Improvements Eligible for Direct Grant Assistance**

Improvements to the following building and site elements, and those the Village finds to be substantially similar to those listed, are eligible for direct funding from the Rehabilitation Grant Program provided such improvements generally are not tenant-specific and are likely to benefit/serve future building occupants:

- Building structural elements such as foundations, load bearing walls, floor and roof joists, roof decking (but not coverings), sub-flooring, etc.
- Electrical, plumbing, HVAC systems
- Hazardous materials abatement
- Energy efficiency improvements and renewable energy systems
- Exterior windows and doors
- Life/safety improvements
- Accessibility improvements
- Elevators
- Restoration of historic elements
- Other improvements as necessary to create a marketable “white box” space
- Demolition and site preparation
- Building additions
- Excavation, fill, grading, retaining walls and stormwater management
- Parking, walkways, and patios
- Trash enclosures

## **Improvements Not Eligible for Grant Funding but May Be Counted Toward Matching Requirements**

Improvements to the following building and site elements, and those the Village finds to be substantially similar to those listed, are not eligible for funding under the Rehabilitation Grant Program, but their costs may be included in calculating the required matching expenses provided such improvements are generally permanent in nature and not intended/designed to be removed when the current/proposed occupant vacates the space.

- Wall and floor coverings (paint, wallpaper, paneling, tile, carpeting, etc.)
- Roof re-shingling or membrane repair/replacement
- Non-emergency lighting
- Cabinetry, built-in shelving and counters/desks
- Walk-in freezers and coolers
- Façade improvements not covered by a Village Façade grant
- Trees and shrubs
- Fencing and privacy walls

## **Improvement not Eligible for Grant Funding and Not Counted as Match**

Improvements to the following building and site elements, and those the Village finds to be substantially similar to those listed, are not eligible for funding under the Rehabilitation Grant Program or to be included in calculating the required matching expenses as such improvements are either tenant-specific or non-permanent in nature and not likely to be available or of benefit to future occupants.

- Removable display fixtures (shelving, racks, display cases, etc.)
- Furniture of any type
- Computers, cash registers, audio/video equipment, and office equipment
- Appliances
- Equipment and supplies used for routine cleaning and maintenance
- Dishware, kitchen supplies
- Linens and window coverings
- Art work
- Storage sheds
- Vehicles of any type
- Machinery and equipment specific to a particular type of business

## **Grant Performance Requirements**

Within six months of Village Board approval, applicants must enter into a grant agreement with the Village, obtain a building permit, and commence work. Projects should be completed within twelve months from the date of Village Board approval, including final inspection and issuance of an occupancy certificate by the Village Building Inspector. Extensions to the completion period may be granted for inclement weather, or the ordering of special building materials. The applicant must request an extension from the Grant/Loan Review Committee in writing. The Committee will notify the applicant in writing of its approval or denial.

Funding-eligible improvements must be in accordance with the U.S. Secretary of the Interior's Standards of Rehabilitation for Historic Preservation (as applicable), as well as Village of Mount Horeb ordinances Chapter 17, Zoning Code, and Chapter 14, Building Code. The applicant shall continually maintain the property in compliance with all applicable local, state and federal laws, rules and regulations and as necessary to prevent deterioration of the property and to present an attractive appearance, and shall assist and actively cooperate with the Village to ensure the applicant's contractors also comply with all applicable laws, rules and regulations. The applicant also shall be subject to other Ongoing Responsibilities for property insurance and maintenance per terms of an approved grant agreement.

**In order to qualify, the applicant cannot start on the project until after receiving all necessary approvals and permits. If work begins before application or approval, the Village cannot fund the project with a Building Improvement Loan.**

**Program Administration**

The Village has appointed the Mount Horeb Area Economic Development Director to administer the Rehabilitation Grant Program and assist with processing applications through the grant review and approval process. Please see the Façade/Building Improvement Grant and Loan Application Form for additional terms, conditions and information on the application review procedure. Projects also will be subject to review and approval for code compliance by the Village Plan Commission, Historic Preservation Commission and/or Village Board.

A non-refundable application fee of \$50 must be paid at the time of submission. The applicant must be in good standing with the Village of Mount Horeb, with current taxes paid in full and no outstanding building code violation citations, and must provide proof of property and liability insurance prior to start of grant performance period. Applications are reviewed on a first-come, first-served basis within a calendar year, subject to funding availability.

All questions should be directed to Village Administrator Nicholas Owen at (608) 437-9409 or [nic.owen@mounthorebwi.info](mailto:nic.owen@mounthorebwi.info)

# Village of Mount Horeb

## Commercial Building Rehabilitation LOAN Program

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Revised: January 21, 2021



The Mount Horeb Commercial Building Rehabilitation Loan Program is designed to stimulate rehabilitation and redevelopment of commercial real estate in downtown Mount Horeb, more specifically defined as the parcels and structures within or immediately adjacent to the boundaries of Tax Increment District No. 5 (TID #5). These loans are intended to provide capital for significant building and site improvement projects that will benefit the community through increased business activity in the downtown, improved property values and tax base, and an enhanced downtown experience for residents and visitors.

Through the Rehabilitation Loan Program participating banks may provide private, low interest loans subject to the review and approval of the Village Grant/Loan Review Committee and Village Board. Participating local banks underwrite, approve and manage collections on approved lines of credit, per the individualized eligibility criteria of the administering bank. Through agreements each participating bank has with the Village, the Village has agreed to secure a portion of any potential loan losses as an inducement to the banks to provide loans at below-market rates. Accordingly, at its sole discretion, the Village may deny or alter the terms of any proposed loan. Further, the Village also may supplement individual loans with grants and/or other forms of financial participation for qualifying projects, subject to an approved development or grant agreement with the applicant.

### **Applicant Eligibility Requirements**

Downtown property owners of commercial/mixed-use structures (including multifamily residential) and non-residential building tenants with leases of more than three years in length (with property owner approval) are eligible for funding. Buildings used exclusively as single-family or duplex residences, regardless of owner or renter occupancy, are ineligible for funding. Governmental entities, religious institutions, nonprofits and public/quasi-public authorities are also ineligible for funding.

### **Financing Terms and Conditions**

- Properties must be located within, or immediately adjacent to, the Downtown Mount Horeb TID #5.
- Non-owner borrowers must have improvement plans approved in writing by property owner.
- Loans may be made in an amount no less than \$25,000 and no greater than \$100,000, subject to project scope and impact on the downtown area, funding availability and demonstrated borrower repayment ability. The amount of any particular loan will be determined by the participating bank and Village in accordance with the underwriting requirements of the bank, these Program provisions, and the provisions of the agreement the bank has with the Village.
- Specific financing solutions will vary based on the particulars of a given project and applicant, but in all cases shall fall within the following parameters:
  - Loans shall be made for up to a 5-year term at an annual interest rate of 0.25% below the prevailing prime rate within 10 days prior to closing.
  - Loan amortization schedules may vary according to project purpose, use of funds and collateral, but shall not exceed 10 years with a final balloon payment due no later than 5 years from the date of issuance.
  - The applicant shall provide minimum equity of 10% of loan amount from private, non-Village sources.
  - Eligible projects may receive additional financial participation in the form of grants and/or loan guarantees from the Village. Participating banks may, at their sole discretion, factor pledged Village grant funding for reimbursable Program costs into approval of loan amounts in excess of the maximum listed above.

- Additional funds also may be loaned at market rates independent of this Program if the borrower qualifies under the lender's underwriting standards.

### **Eligible Costs**

Costs eligible for funding under the Façade Improvement and/or Commercial Rehabilitation Grant Programs are generally considered eligible for funding under the Rehabilitation Loan Program. Such costs include, but are not limited to, exterior façades and cosmetic improvements, including preservation and/or restoration of documented historic building elements; necessary structural, electrical, HVAC, plumbing and other building system components; roof repair or replacement; renovation or reconstruction of upper-level units for commercial purposes, including rental housing units; site acquisition, preparation, clearance, or environmental remediation. Fees and other project related expenses, including necessary design/architectural/engineering/consulting costs, title insurance, credit report, loan origination and closing fees are also eligible and may be added to the loan amount.

### **Applicant Performance Requirements**

Within 30 days of Village Board approval, the applicant must enter into a loan agreement with the Village and close on the loan with the bank. Among other provisions, the loan agreement with the Village will contain a provision that the applicant provide adequate property and casualty insurance for the property for a period of at least 10 years and to name the Village as an additional insured on the policy.

Within six months of Village Board approval, the applicant must obtain a building permit and commence work. Projects must be completed within twelve months from the date of Village Board approval, including final inspection and issuance of an occupancy certificate by the Village Building Inspector. Extensions to the completion period may be granted for inclement weather, or the ordering of special building materials. The applicant must request an extension from the Grant/Loan Review Committee in writing. The Committee will notify the applicant in writing of its approval or denial.

Funding-eligible improvements must be in accordance with the U.S. Secretary of the Interior's Standards of Rehabilitation for Historic Preservation (as applicable), as well as Village of Mount Horeb ordinances Chapter 17, Zoning Code, and Chapter 14, Building Code. The applicant shall continually maintain the property in compliance with all applicable local, state and federal laws, rules and regulations and as necessary to prevent deterioration of the property and to present an attractive appearance, and shall assist and actively cooperate with the Village to ensure the applicant's contractors also comply with all applicable laws, rules and regulations. The Applicant also shall be subject to other Ongoing Responsibilities for property insurance and maintenance per terms of an approved loan agreement.

**In order to qualify, the applicant cannot start on the project until after receiving all necessary approvals and permits. If work begins before application or approval, the Village cannot fund the project with a Building Improvement Loan.**

### **Program Administration**

The Village has appointed the Mount Horeb Area Economic Development Director to administer the Rehabilitation Loan Program and assist with processing applications through the loan review and approval process. Please see the Façade/Building Improvement Grant and Loan Application Form for additional terms, conditions and information on the application review procedure. Projects involving exterior improvements and alterations also may be subject to review and approval for code compliance by the Village Plan Commission, Historic Preservation Commission and/or Village Board.

A non-refundable application fee of \$50 must be paid at the time of submission. The applicant must be in good standing with the Village of Mount Horeb, with current taxes paid in full and no outstanding building code violation citations, and must provide proof of property and liability insurance prior to



start of grant performance period. Applications are reviewed on a first-come, first-served basis within a calendar year, subject to funding availability.

In addition to the information indicated on the Façade/Building Improvement Grant and Loan Application Form, the applicant also will be required to provide supporting documentation at the request of the bank, including, but not limited to:

1. Business financials (previous 3 years' tax returns)
2. Personal financials (previous 3 years' tax returns)
3. Project renderings (for exterior façade improvements, if proposed)
4. Contractor/supplier estimates
5. Estimated timeline for completion of work
6. Other documentation as requested by the Committee to assess project viability

Such additional information shall be held in confidence by the bank, but a general summary of the applicant's credit worthiness and compliance with Program requirements will be provided by the bank as part of its recommendation to the Grant/Loan Review Committee and Village Board. The above notwithstanding, the Grant/Loan Committee and/or Village Board may request such additional information as they may deem necessary, in their sole discretion, to determine compliance of the loan request with all Programs requirements. If such information is requested, the applicant shall have the right to either provide the information or withdraw the application from further consideration. In the event such information is provided, the applicant shall acknowledge in writing that such information may be subject to the Wisconsin Public Records Law (Wis. Stat. §§19.21 – 19.39).

All questions should be directed to Village Administrator Nicholas Owen at (608) 437-9409 or [nic.owen@mounthorebwi.info](mailto:nic.owen@mounthorebwi.info)