

ELMIRA HEIGHTS URBAN RENEWAL AGENCY
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Loan Policies and Eligibility Criteria

Applicant Eligibility: Eligible businesses shall include small and large businesses, including that of manufacturers, which tend to import dollars into the Village of Elmira Heights by selling goods and/or services and who have a physical business address located within the Village of Elmira Heights.

Ineligible Applicants: Officers, Board Members, Staff or Blood Relatives of any of the above representing the Elmira Heights UR for a period of one year following service, personal businesses run out of a home address and/or businesses located outside of the Village of Elmira Heights are not eligible to apply for Elmira Heights UR funding.

Eligible Projects: Loan proceeds **can be** utilized for projects that result in the following;

- small or large business expansion
- redevelopment of vacant facilities for productive use by small or large businesses
- business and job retention
- acquisition and/or improvement of land, building or plant equipment, including new construction or renovation of existing facility
- demolition and site preparation
- modernization or rehabilitation of existing industrial and/or manufacturing facilities that will enhance the utilization of new technologies

Preference will be given to businesses that provide opportunities for employment and/or increase the sales tax base.

Ineligible Projects: The following projects and/or activities that **are not eligible** for funding, include;

- debt consolidation
- refinancing
- payment of back taxes
- speculative activities
- purchase or finance equity in a private business

Demonstration of Need: Applicants must demonstrate a need for Elmira Heights UR financing and provide supplemental evidence to document the need.

Acceptable Documentation to Submit with Application, Includes the Following

- Applicants are required to have a current Business Plan. For free assistance to complete a Business Plan, call the Small Business Development Center at 607-962-9461.
- A Bank Commitment Letter outlining the terms and conditions of the loan that is contingent upon receiving Elmira Heights Urban Renewal loan financing; or
- A Bank Denial Letter with reasons provided for denial.

Fees: A \$250 non-refundable application fee is required, as well as Loan Closing fees associated with the loan and filings.

Maximum/Minimum Loan Size: Manufacturing and/or Industrial are eligible to receive 50% of the total project cost, up to \$100,000; whichever is less, based on the availability of funds at the time of application. \$15,000 minimum. A borrower may not have more than \$75,000 in Elmira Heights Urban Renewal loans outstanding at any one time. Retail/commercial-type businesses are limited to \$50,000 or 35% of the total project cost, whichever is less. The Elmira Heights Urban Renewal Board reserves the right to adjust loan size accordingly, as needed.

Private Investment Match: 20% minimum required.

Equity Requirement: 5-10% minimum cash equity

Interest Rate: 4% minimum fixed; variable upon risk/loan approval.

Terms: Five and Seven years for working capital and/or machinery; Seven to Ten years for real estate activities.

Collateral: To Be Determined based on application

Job Impact: One full-time (37.5 hours) equivalent employee for every \$10,000-\$15,000 loaned.

Payment schedule: Due the first day of each month; late fee assessed of 1 ½ % of the total loan amount, per month, after the 10th of the month that the payment is late.

Code Compliance: Required.

Environmental Audit: All applicants must demonstrate compliance with local, State and Federal Environmental regulations. Projects involving real estate may need to provide a current environmental audit.

-Projects which utilize federal dollars for construction and/or renovation, must comply with Davis-Bacon (wage-rate) requirements.

-Elmira Heights Urban Renewal ensures confidentiality of all applicants and does not discriminate against any applicant because of race, color, religion, sexual preference or national origin.