

# Community Development Authority (CDA)

## FACADE & SIGNAGE IMPROVEMENT LOAN PROGRAM – LOAN TERMS

### FAÇADE & SIGNAGE IMPROVEMENT LOAN:

|                         |           |
|-------------------------|-----------|
| Maximum Loan Amount:    | \$10,000  |
| Interest Rate:          | 0-1.5%    |
| Loan Term/Amortization: | 5/5 years |

### ADDITIONAL PROGRAM INFORMATION:

- There is a \$25 non-refundable application fee.
- The Community Development Authority will take a subordinate position to any primary financing.
- All Peabody businesses are eligible.
- All recipients will be required to sign a Commercial Promissory Note and Security Agreement and all loans will be secured with a UCC Financing Statement.
- There will be a \$23.50 fee added to the principal loan amount for UCC filing fee.
- *Disclaimer:* The CDA retains the ability to amend terms and/or program policies with a vote of the CDA. Interest rates, terms and program policies subject to change without notice.

**Further Questions:** Please contact Stacey Bernson, Assistant Community Development Director, City of Peabody, 24 Lowell Street, Peabody, Massachusetts 01960. Telephone: 978-538-5771. Email: [stacey.bernson@peabody-ma.gov](mailto:stacey.bernson@peabody-ma.gov)

# Community Development Authority (CDA)

## FAÇADE & SIGNAGE IMPROVEMENT LOAN PROGRAM

### I. INTRODUCTION

The City of Peabody through the Community Development Authority (CDA) and the Department of Community Development have established a Façade & Signage Improvement Program to provide financial assistance to property owners and/or business tenants seeking to renovate or restore their exterior signage, lighting or commercial building façades. The Program's objectives are to improve the physical appearance of independent businesses and enhance the commercial districts in Peabody. Please note that funds will be allocated on a rolling basis.

The Program will provide loans up to \$10,000 for the funding of well-designed improvements that will coordinate all the important features of the storefront into a more attractive image. This may include the restoration of architectural details, better windows and doors and well-proportioned signage, awnings and lighting. All construction work must be permitted and completed by licensed and insured contractors.

Loans will be issued on a rolling basis until funds are no longer available. Improvements made prior to receiving a loan commitment letter from the City of Peabody are not eligible.

### II. ELIGIBILITY & SELECTION CRITERIA

The following criteria shall be considered for a Façade Improvement Loan:

1. Preference will be given to:
  - A. Independent businesses not required by contractual arrangement to maintain standardized décor, architecture, signs or similar features;
  - B. Applicants located in the Main Street, Washington Street and/or Foster Street Subdistricts, which are subject to the Design Standards for their respective district;
  - C. Applicants submitting proposals for work that shows the highest cost benefit and impact for usage of loan funds.
2. Applicants requesting funds for projects that are considered "deferred property maintenance" may be not eligible.
3. Tenants **must** have written approval from property owners for participation.
4. Billboards on property, if applicable, must be permanently removed as part of the improvement.

6. Property owners applying for funds must be up to date on all municipal taxes prior to participation in the program.
7. Applicants must comply with all state and local laws and regulations pertaining to licensing, permits, building code and zoning requirements.
8. All Applicants in the Main Street, Washington Street & Foster/Walnut Street Subdistricts will have to comply with the Design Standards of that district.
9. The City of Peabody shall only recognize the formal loan recipient as project contact and manager for awarded loan funds. **No representatives, partners, landlords, assistants or employees shall engage in any loan funded project management or representation without explicit written consent of the formal Borrower named in the City of Peabody CDA Façade/ Signage Improvement Program Loan Program Commitment Letter. NO EXCEPTIONS.**
10. All Applicants are strongly encouraged to utilize/hire Peabody based businesses for their proposed improvements.

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### **III. DESIGN PRINCIPLES AND GUIDELINES**

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Improvements to be funded by the program must be compatible with the character and architecture of the individual building as well as, to the extent appropriate, with other buildings along the street on which the participating storefront is located. This principle is particularly important for historic buildings and streetscapes included in the Main Street, Washington Street & Foster/Walnut Street Subdistricts. Buildings with significant architectural qualities are strongly encouraged to restore and maintain these features. Improvements for buildings not having notably historic or architectural features should still be carefully considered and be seen as an opportunity to substantially enhance the appearance of the buildings and their streetscapes.

#### **A. Eligible Façade/Signage Improvements**

Storefronts should be oriented to the pedestrian and provide visual interest both day and night. Effort should be made to facilitate access into the store and to create a store identity unique to Peabody and/or the respective neighborhood. The following improvements are encouraged:

1. Restoration of details in historically contributing or significant buildings, and removal of elements which cover architectural details;
2. Window display areas which are appropriately scaled and which facilitate night viewing;

3. Window replacement and window framing visible from the street that is appropriately scaled to the building;
4. Signage that is attractively integrated into the architecture of the building, including the window area, awnings or canopies, and entryways;
5. Lighting that is visually appealing and appropriately illuminates signage, storefront window displays, and recessed areas of a building façade;
6. Awnings or canopies that can be both functional and visually appealing;
7. Landscaping features attached to the building where appropriate, such as window boxes or planters;
8. Cleaning, repainting or residing of buildings;
9. Street grade entrances which contribute to the active edge along streets;
10. New storefront construction is appropriately scaled within an existing building.
11. Removal of architectural barriers to public accessibility;
12. Other improvements can be made with written approval, if they meet the objectives of the Facade Improvement Program.

**B. Prior Improvements**

Alterations and improvements made prior to receiving a loan commitment are not eligible.

**C. Modification/Recapture Policy**

All loan recipients will be required to sign a Commercial Promissory Note and a Security Agreement. Awardees will be responsible for maintaining the work completed as exceptionally presentable and in good working order.

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**IV. PROGRAM ASSISTANCE**

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**A. Financial Assistance**

Funding is offered in the form of a low interest loan that will subsidize the Applicant's total project cost, maximum loan amount \$10,000. Any formal design fees may be included in the total cost of eligible improvements but cannot exceed \$3,000 of the total project cost for facades and \$1,500 for signs, awnings, window treatments, etc.

**C. Application and Information**

Please contact Stacey Bernson, 978-538-5771 or email [Stacey.Bernson@peabody-ma.gov](mailto:Stacey.Bernson@peabody-ma.gov) for or any additional questions you may have.

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## V. PROCEDURES

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All prospective Borrowers must follow the procedures in the order outlined below:

1. Applicant files a Loan Application along with the \$25, non-refundable Application Fee. The applicant may contact Program Staff with any questions about the Program or Application.
2. Applications should be processed within a 2-week period. If approved, the Applicant will receive a loan commitment letter that must be signed and returned to the City of Peabody within 10 business days. Any work completed prior to receiving the loan commitment letter **will not be eligible for funding.**
3. Borrower is responsible for obtaining all necessary permits and insuring compliance with the requirements of the permit.
4. The borrower shall insure that the Contractor constructs project improvements as specified in the final design.
5. Borrower shall notify the City of Peabody once project is completed.
6. Borrower must submit copy of signed building permit as certification that the improvements comply with the final drawings and specifications.
7. Payment will not be released until the work is complete. Once the work is completed, the Borrower must submit copies of all invoices. The loan documents will be generated at this time. Prior to receiving funds, the Borrower will have to sign the loan documents.
8. All loans are serviced by Century Bank; borrowers will receive a loan statement each month.
9. The Façade/Signage Improvement Program reserves the right to make adjustments regarding conditions and parameters outlined in these guidelines.

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## **VI. TERMINATION**

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The City of Peabody has the right to terminate any loan issued under the Façade/Signage Improvement Program if a participant is found to be in violation of any conditions set forth in these guidelines or if the project has been started prior to the issuance of a loan commitment letter.

If a borrower does not keep up with the agreed upon monthly payments, the borrower will be considered in default. Should a Borrower wish to voluntarily resign from program participation before any improvements have commenced, this will be permitted, but the Awardee shall contact the City of Peabody as soon as possible.

# Community Development Authority (CDA)

## FAÇADE & SIGNAGE IMPROVEMENT LOAN PROGRAM – APPLICATION

| <b>APPLICANT/BUSINESS INFORMATION</b>  |                              |      |   |                    |      |  |
|--|------------------------------|------|---|--------------------|------|--|
| Applicant's Name:  |                              |      | Tax Identification #:   |                    |      |  |
| Name of Business:  |                              |      | Telephone #:  |                    |      |  |
| Principal Business Address:<br>Street:   |                              |      | Mailing Address:<br>Street:   |                    |      |  |
| City:  | MA                           | Zip: | City:   | MA                 | Zip: |  |
| Email Address:   |                              |      |   |                    |      |  |
| <b>IF YOU INTEND TO APPLY FOR JOINT CREDIT, PLEASE INITIAL HERE:</b>   |                              |      |   |                    |      |  |
|  |                              |      | _____ Applicant   | _____ Co-Applicant |      |  |
| Please check one: <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Individuals |                              |      |   |                    |      |  |
| <input type="checkbox"/> Trust <input type="checkbox"/> LLC <input type="checkbox"/> LLP <input type="checkbox"/> Non-Profit   |                              |      |   |                    |      |  |
| Type of Business: <input type="checkbox"/> Manufacturer <input type="checkbox"/> Retailer <input type="checkbox"/> Service <input type="checkbox"/> Wholesaler/Distributor   |                              |      |   |                    |      |  |
| <input type="checkbox"/> Other (specify)   |                              |      |   |                    |      |  |
| Year Established:  | Current Number of Employees: |      | Do you anticipate hiring new employees? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If yes, how many? |                    |      |  |
| <b>APPLICANT'S RELATIONSHIP TO PROPERTY</b>  |                              |      |   |                    |      |  |
| <input type="checkbox"/> Owner:                    Attach a copy of the latest tax bill and proof of payment.  |                              |      |   |                    |      |  |
| <input type="checkbox"/> Tenant Certificate:    (1) Attach a copy of your Peabody Business Certificate   |                              |      |   |                    |      |  |
| (2) Attach written permission from building owner to participate in the Façade & Signage Improvement Program, including expiration date of current lease and approval of the proposed improvements                     |                              |      |   |                    |      |  |

| <b>LOAN REQUEST</b>   |                         |                  |
|---|-------------------------|------------------|
| Amount  | Term (Years)<br>5 years | Purpose of Loan: |
| Payment Method <input type="checkbox"/> Manual <input type="checkbox"/> Electronic  |                         |                  |
| Additional comments:  |                         |                  |
| <b>IF YOU INTEND TO APPLY FOR JOINT CREDIT, PLEASE INITIAL HERE:</b>  |                         |                  |
| _____   |                         | _____            |
| Applicant   |                         | Co-Applicant     |
| <p>The applicant(s) hereby certify that the information contained in this application is provided to induce the Community Development Authority (CDA) to extend credit to the business. The applicant(s) acknowledge and understand that the CDA is relying on the information provided in this application in deciding whether to grant credit. Each of you represents, warrant, and certify that the information is true, correct, and complete. Each of you agrees to notify the CDA immediately of any materially adverse change in any of the information contained in this application, or your or any proposed guarantor's financial condition. The CDA is authorized to make all inquiries it deems necessary to verify the accuracy of the information contained in this application. You authorize any person or credit reporting agency to give the CDA any information it may have about you. Each of you authorizes the CDA to answer questions about the CDA credit experience with you. You understand that the CDA may request additional information to complete this application.</p> |                         |                  |
| _____   | _____                   | _____            |
| Applicant Signature   | Title                   | Date             |
| _____   | _____                   | _____            |
| Co-Applicant Signature  | Title                   | Date             |

# Community Development Authority (CDA)

## FAÇADE & SIGNAGE IMPROVEMENT LOAN PROGRAM – APPLICATION

**Please use the list below to insure that your application is complete:**

- Completed Façade & Signage Loan Program Application
- Project budget/estimate for proposed work
- Owner: Attach a copy of the latest tax bill and proof of payment
- Tenant:
  - Attach a copy of your Peabody Business Certificate
  - Attach written permission from building owner to participate in the Façade & Signage Improvement Program, including expiration date of current lease and approval of the proposed improvements.
- A non-refundable check in the amount of \$25 made payable to the *CITY OF PEABODY COMMUNITY DEVELOPMENT AUTHORITY*