

**LOCAL CONTACT:**

For additional information regarding the City of Sparta Downtown Façade Program Contact:

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**City of Sparta  
Downtown  
Façade  
Program  
2018**



## **PROGRAM DESCRIPTION:**

The City of Sparta is offering a program for façade renovation to the downtown Sparta buildings. The program is administered by the Community Development Block Grant (CDBG) office and the Economic Development and Block Grant Commission (EDBG). The purpose of the loan program is to provide low interest loans to property owners for exterior improvements to downtown commercial buildings.

## **ELIGIBILITY REQUIREMENTS:**

1. To be eligible for a Downtown Façade Program loan, an applicant must be the owner of the dwelling or a land contract buyer.

## **AMOUNTS AND FORMULAS**

Eligible projects may use one of the following options:

Façade loans of \$15,000 or less will be serviced directly through the City of Sparta as approved by the Block Grant Committee. The interest rate will be 0% with no payments. The loan is due in full upon the transfer of ownership of the property.

For larger façade loans, the City will participate at 50% of a project over the initial \$15,000 or a maximum of a \$30,000 loan, as approved by the Block Grant Committee. The building owner shall be responsible for the other 50% of the project. The City will lend at an interest rate of 0% with no payments. The loan is due in full upon transfer of ownership of the property.

## **ELIGIBLE WORK ACTIVITIES:**

- ▶ Exterior improvements only
- ▶ Front or rear facades and visible sides
- ▶ Projects which provide accessibility for handicapped persons (exterior only)
- ▶ Projects which eliminate health hazards and code violations (exterior only)
- ▶ Signs
- ▶ Roofing projects

**All improvements must be done by licensed contractors.**

## **INELIGIBLE WORK ACTIVITIES:**

- ▶ Any interior improvements

## **FINANCIAL ASSISTANCE:**

- ▶ A mortgage shall be issued against the property in the amount of the loan and a personal guarantee.

## **APPLICATION PROCEDURES**

- ▶ Contact the CDBG office, at 201 W. Oak St. (608) 269-4340 Ext. 241 to obtain an application.
- ▶ Submit the completed application form and recent photographs of the building.
- ▶ Participating Lending Institution Loan Commitment for loans over \$15,000.
- ▶ Bids from contractors are reviewed by the CDBG office

**Approval of exterior improvements by Historic Preservation Commission is required per Chapter 20 of the City of Sparta Ordinances.**