

**Building Improvements Loan Program**  
**Developed by City of Muscatine and Local Muscatine Banks**  
**Program is administered by the City of Muscatine**

**Goal:** Provide funding opportunities to improve building's exterior, interior and building infrastructure for a better business environment and to improve upper floor housing units. Building improvements may foster and protect the historic character of the building and historic district.

**Lending District:** Limited to the downtown, bounding Pine Street and Mulberry Avenue, Mississippi Drive and 3<sup>rd</sup> Street.

**Benefit:** Receive building revitalization loan at 1% below prime interest rate for a term up to 10 years. The rate will be fixed for a period of three years from the date of the loan. At the end of the three-year period, the rate would be locked in for an additional period at prime, at a variable adjustable rate mortgage (ARM).

No fees charged other than ordinary cost incurred by the bank, such as appraisals, abstracting, recording and attorney fees.

**Participating Lenders:** Central State Bank, Community Bank and First National Bank of Muscatine

**Financial Commitment to Program:** \$1,000,000.00

**Who is Eligible:** Owners/Long-term tenants of existing commercial buildings and commercial buildings with upper story housing units.

**General Program Information:**

- Minimum loan of \$5,000.00
- Maximum loan amount to be determined by funding institution per individual project
- Applications must be approved by the funding bank prior to beginning construction.
- Full remodel and rehabilitation improvement plan must be submitted for review with application.
- The city review team will approve submitted improvement plan before construction can begin and will conduct final inspection to verify construction was completed in line with submitted improvement plan.
- Borrowers will be required to meet banks normal credit standards.
- Maximum loan period of 10 years.
- No fees charged other than ordinary costs incurred by bank, such as appraisals, abstracting, recording and attorney fees

**Eligible Project:**

- Exterior façade repair, rehabilitation, and revitalization
- Interior remodel, repair, and revitalization
- Roof repair and replacement
- Replacement of doors, windows, fire escapes, stairways, etc.
- Flood protection
- Improvement to buildings utility connections
- Repair and replacement of interior utilities
- ❖ *If project is located in a historic district it must not significantly detract from the historic character of the building or historic district*
- ❖ *All improvements must meet current building codes; the city will assist in all ways possible to identify code requirements during planning process.*

**Ineligible Project:**

- Property Signage
- Non-permanent improvements
- Modifications that will have a significant detrimental effect on the historic character of the property and historic district.

### **Application and Program Process:**

- The property owner will discuss project with Community Development Coordinator and City Building Inspector.
- The property owner will develop a detailed improvement plan
  - ❖ Description of work to be completed
  - ❖ Floor plan, drawings, and photos indicating what will be constructed
  - ❖ Develop detailed budget for project
  - ❖ Construction schedule
- The property owner and city review team will review detailed improvement plan, make additional recommendations if needed.
- The property owner will obtain letter of support and summarization form from the City of Muscatine, Community Development Department once the review team approves improvement plan.
- The property owner will submit loan application for the Building Improvements Loan Program, including letter of support from the City of Muscatine, to Central State Bank, Community Bank of Muscatine or First National Bank of Muscatine.
- The property owner will receive Building Improvement Loan.
  - ❖ *Borrower will be required to meet banks credit standards.*
- The property owner can begin construction
  - ❖ *All city building and construction requirements must be followed and met.*
- Upon completion of construction, final inspection by the review team will be completed to ensure project was completed in line with the improvement plan.
  - ❖ *If project is not completed in accordance with development plan. The loan will revert to prime interest rate.*
- Letter from City of Muscatine, Community Development Department certifying completion of project.