

Eligible Projects

- Life, health and safety upgrades, including such things as:
- Windows, Doors, Roofing Siding, Tuckpointing, Insulation, Stairways
- Water Line Repairs, Sprinkler Systems, Wastewater Line Repairs, Plumbing
- Electrical, Natural Gas Upgrades, Furnaces and Water Heaters,
- Emergency Lighting
- Lead Abatement

Windom EDA

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Commercial Rehab Forgivable Loan Program

Helping Commercial Businesses in
Windom Grow



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- 1/3 Paid by Business
 - 1/3 Forgivable Loan
 - 1/3 Repayable Loan
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**This program is open to all
commercial businesses in
Windom**

PROGRAM STRUCTURE

Each commercial rehab loan is structured into three components:

- One-third is in the form of a forgivable loan
- One-third is in the form of a repayable loan
- One-third of the project costs are paid by the property owners

The sources of the **one-third paid by the property owner(s)** can include personal savings, mortgage loan, private loan, or other sources. Following submission of the Application form, Western Community Action (WCA) will consult with the property owner(s) concerning proposed funding sources. If requested, WCA can also provide additional information concerning other potential sources of funding and any applicable credits towards the owner(s)' required portion of the project costs.

The **forgivable loan** is forgiven over the period of seven (7) years if the property owners comply with the requirements of the program, which include continuous ownership of the property for the term of the forgivable loan, insurance requirements, etc.

The **repayable loan** accrues interest at the rate of one percent (1%) per annum and is repaid through automatic monthly withdrawals from the borrower's checking account. The loan is repayable over the period of seven (7) years but can be prepaid at any time without penalty.

In the event of a transfer of the property, any unpaid balance of the repayable loan and the unforgiven balance of the forgivable loan are due and payable in full.

Maximum Available Loan:

The maximum amount of funds which can be loaned under this project is: **\$15,000 per project.**

(This total includes both the forgivable and repayable portions of the loan. Property Owners may fund improvements in excess of their required match by utilizing their own funding sources.)

**FORGIVEABLE LOAN +
REPAYABLE LOAN +
BUSINESS EQUITY = IMPROVED
BUSINESS FACILITY**

PROCEDURE

This program is governed by policies adopted by the EDA and City in the previous SCDP Commercial Rehab programs. These policies were mandated and approved by the Minnesota Department of Employment & Economic Development (DEED) due to the governmental funding sources.

1. Application forms can be obtained from the EDA Office in City Hall.
2. The EDA will then forward the application to Western Community Action for processing.
3. Projects are then approved for funding by the EDA Board at its regular monthly meetings.
4. Western Community Action will work with the program participants through all phases of the project.

For more information contact:
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507-832-8661
or visit our Web site:
<https://www.windom-mn.com/eda/low-cost-financing-opportunities/>