



Place-Based Investment Loan Program

Frequently Asked Questions | July 2019

What is the Place-Based Investment Loan Program?

The St. John the Baptist Parish Placed-Based Investment Loan Program provides between \$5,000 to \$50,000 in 0% interest loans (with 40% of the loan forgivable) for targeted redevelopment projects that create a positive visual impact and accelerated economic activity in St. John Parish.

What activities are eligible for assistance from this program?

Loans may be made for the following types of projects in the Program Service Area:

- 1. Replacement of Commercial Signs**

Example: demolition of an outdated pole sign and replacement with a new monument sign with landscaping.

- 2. Green Parking Lots / Refurbishment of Parking Lot for Improved Water Management**

Example: repave and reduce the total square footage of impervious pavement on a commercial site for preservation of green space and the installation of “green strategies” for improved stormwater management.

- 3. Façade Improvements for Commercial Historic Structures**

Example: repair of windows, doors, awnings, painting, and provision of landscaping on a commercial historic structure and site.

Ineligible activities include: interior improvements, roof repairs, foundation repair, pole signs, interior lit signs or electronic variable message signs, interior window treatments, routine maintenance, projects that reduce number of parking spaces below required Parish minimums, subsurface drainage work, improvements on residential properties, non-permanent fixtures, architectural or other professional fees, permit fees, and business equipment or supplies.

What is the Program Service Area?

Eligible projects must be located within the following designated target corridors of the parish:

- Major Corridor Overlay District
- Laplace Historic District
- Reserve Historic District
- Garyville Historic District
- River Road Historic District: The Historic Towns of Edgard, Lucy and Wallace

A map of the program service area can be found here:

<http://scpdc.maps.arcgis.com/apps/webappviewer/index.html?id=1f2942374ffa482db71027b98e2354b7>



Who can apply for funding?

Existing St. John the Baptist Parish businesses and non-profit organizations with a commercial location in the Program Service Area may apply for loans up to \$50,000 per eligible location.

Can I contribute my own funds to the projects and, if so, will my application be prioritized?

Projects which leverage additional sources of funding (private loans or funding, tax credits, grants, etc.) will be prioritized. In addition, costs for projects that exceed the program's maximum award must be paid with the borrower's funds.

Can I select my own architect and contractors?

Yes. Professional fees, including architect fees, are the responsibility of the applicant. Licensing and insurance requirements for architects and contractors must meet all applicable local, state and federal regulations.

What if my needs exceed the amount of funding available to my business?

Loans made under the program are limited by available program funds. If all project proposals cannot be supported, loans will be awarded to projects offering the greatest contribution to the community under the program's mission. For projects costing more than the program maximum, applicants will be required to use their own funds to fill the gap between program financing and the cost of the project. Under limited circumstances, SCPDC may be able to lend additional funds as a separate loan under other existing programs. Such loans would not have the 0% interest nor forgiveness components.

How will projects be selected for funding?

Projects will be evaluated using the following criteria:

- *Program Mission* – how relevant is the project to the program's mission?
- *Visual Impact* - Will the project offer significant visual improvement to the property? Is the improvement in a high-traffic or highly visible area?
- *Community Impact* - Will the project benefit the overall corridor? Does the project benefit the community as a whole?
- *Economic Impact* - Will the project result in economic growth (add jobs, encourage occupancy, increase building value)?
- *Useful Life of Improvements* - Are the improvements permanent? Will the improvements be affixed to the property?

Will I be required to provide collateral for the loan?

All business assets including, but not limited to land, buildings, equipment (including vehicles and vessels), accounts receivable, inventory, insurance, personal guarantees, etc., may be required for use in collateralizing a loan. Collateral requirements for SCPDC loans may include a mortgage on business property.



How will the size of loan be determined?

SCPDC staff will utilize sound financial, economic, and banking principals as a guide in evaluating loan requests guided by SCPDC’s Comprehensive Loan Policy. At a minimum, applicants will be required to possess:

- A minimum credit score of 600, based on Equifax current credit reporting, for all persons with ownership greater than or equal to 20 percent.
- A minimum company and/or global debt service ratio of 1.1:1. Ratios shall be calculated based on historical financials for existing businesses. Start-ups will be considered on a case by case basis.

I’m interested! What is the step-by-step process to ensure my project is eligible? What is the process for submitting an application?

- 1. Attend a pre-application information session (optional).** All interested applicants are invited to attend a pre-application information session to discuss the program, eligible projects, the application process and application requirements. Please see the Parish website for event dates and times.
- 2. Submit Preliminary Project Request (PPR).** SCPDC will be available to accept PPR applications and associated documents on Tuesdays and Thursdays at the Parish Complex during regular office hours. Required PPR application information can be found below. Please contact SPCDC for more information on the application and its requirements:
 - Detailed explanation of proposed improvements and cost estimate;
 - Renderings, evaluations, drawings, etc. for proposed improvements;
 - Photos of property and area to be improved.
- 3. Complete Loan Application.** Upon approval of the Preliminary Project Request, applicants must submit a loan application with required documents. Loan applications determined complete will be reviewed and scored in accordance with Program criteria. Required documents can be found below. Please contact SCPDC for a full list of required loan application documents:
 - **Tax Returns** – 3 Years of tax returns for businesses and/or individuals with 20 percent or more ownership interest;
 - **Non-Profits** – If IRS Determination requires filing of 990s, then must provide 990s and three years financials, if IRS Determination does not require filing of 990s, then three years “audited” financials.
 - **Credit Authorization** – completed credit authorization form for individuals with 20 percent or more ownership interest.

These FAQs will be updated with additional information throughout the program application phase.