

**THE REDEVELOPMENT AGENCY OF MIDVALE CITY
RESOLUTION NO. 2021-15RDA**

**A RESOLUTION APPROVING THE MIDVALE CITY MAIN STREET REVOLVING
LOAN PROGRAM**

WHEREAS, the Redevelopment Agency of Midvale City (“Agency”) was created to transact the business and exercise the powers provided for in the Utah Redevelopment Agencies Act; and

WHEREAS, on November 17, 2015 the Agency adopted Resolution 2015-13RDA approving the CDA Project Area Plan for the Midvale Main Street CDA Project Area; and

WHEREAS, the Agency and Midvale City (“City”) seek to revitalize the Midvale Main Street CDA Project Area; and

WHEREAS, the Agency seeks to incentivize the right development and improvements through low interest loans to activate and revitalize Midvale’s Main Street area; and

WHEREAS, funds available in the amount of 1.5 million dollars will be loaned from the Bingham Junction Project Area to the Main Street Project Area to be utilized as loans for eligible businesses and upon completion of the program, will be repaid to the Bingham Junction Project Area.

WHEREAS, the Agency desires to create a program for the purpose of facilitating the revitalization of Main Street.

NOW THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY, that the Board of Directors does hereby authorize the Chief Administrative Officer and Executive Director to implement the Main Street revolving loan program to promote and incentivize the redevelopment of Midvale City Main Street.

Passed and Adopted by the Board of Directors of the Redevelopment Agency of Midvale City, State of Utah, this 7th day of September, 2021.



Robert M. Hale,
Chief Administrative Officer



Matt Dahl
Executive Director

ATTEST:

Rori L. Andreason

Rori L. Andreason, MMC
Secretary



Voting by the Council:	"Aye"	"Nay"
Quinn Sperry	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Paul Glover	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Heidi Robinson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bryant Brown	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Dustin Gettel	<input checked="" type="checkbox"/>	<input type="checkbox"/>



Redevelopment Agency of Midvale City Main Street Project Area Business Loan Program

I. Purpose

The (RDA) Main Street Project Area Business Loan Program's purpose is to support and promote the growth and improvement of businesses within the Main Street Project Area. The objective is to stimulate business development and expansion by making loans available to businesses operating within Midvale's Main Street Project Area or are relocating or starting up a business within the Area. These businesses must be committed to creating a sense of place along Main Street project area by shaping redevelopment, enhancing arts and culture, preserving and celebrating history, and providing or supporting spaces for people to gather and recreate.

II. Eligibility

1. The business already exists within Midvale's Main Street Project Area, is relocating to the Area, or is a startup locating within the Area.
2. Property taxes and special assessments must be current, with no judgments or liens outstanding against the applicant(s).
3. The applicant must provide sufficient evidence of their capabilities to successfully complete the project.
4. The applicants' credit history must demonstrate prompt payment of past obligations.
5. Minimum Eligibility: To be considered for a loan the project must score a minimum score of 25/40 in meeting four key public benefit criteria of Economic Development, Public Amenity, Beautification, and Street Activation. These criteria are found in the chart below in Section V.
6. Public Benefit Incentive: A reduction to the standard interest rate is available for projects that receive more than the minimum score in meeting any combination of criteria in the Public Benefit Criteria Chart found in Section V. For every 5 points earned over the minimum score required, a project is eligible to receive a rate reduction of .25% from the standard interest rate, with a maximum reduction not to extend below a 1% interest rate. For each interest rate reduction received, compliance and reporting requirements will be triggered to ensure that public benefit criteria are being met.

III. Loan Types & Use of Funds

1. Startup business (0-3 years old): Can apply for loans up to \$25,000
2. Existing business (3+ years old): Can apply for loans up to \$250,000

- a. Loan Committee can waive the 3-year requirement if borrower(s) can demonstrate comparable experience within the industry.
- 1. Loans for start-up and businesses expansion.**
 - a. Inventory, marketing, materials, space, labor, supplies, and operating maintenance.
- 2. Loans for Physical Improvement and Real Estate Purchases Under \$25,000**
 - a. Land and building acquisition.
 - b. Building construction and renovation (with restrictions).
 - c. Façade improvements: signage, building, and landscaping (restrictions apply).
 - d. Energy and equipment upgrades and building retrofits.
 - e. To get building/business in compliance with all applicable Midvale City building codes and ordinances.
- 3. Loans for Physical Improvement and Real Estate Purchases Over \$25,000.**
 - a. Land and building acquisition.
 - b. Building construction and renovation (with restrictions).
 - c. Façade improvements: signage, building, and landscaping (restrictions apply).
 - d. Energy and equipment upgrades and building retrofits.
 - e. To get building/business in compliance with all applicable Midvale City building codes and ordinances.

*RDA funds cannot be used for the refinancing of existing debt.

IV. Terms

- 1. Loans for start-up costs and expansion expenses.**
 - a. Loan Amount: Loans will provide up to \$25,000.
 - b. Standard Loan Term: 6 months to 5 years. Loan may be prepaid, in part or whole, at any time without penalty but may not be transferred.
 - c. Background Check: Required.
 - d. Credit Score: No minimum. (Credit scores determine loan amount, interest rate, and collateral %).
 - e. Collateral: Must have 10% minimum of available collateral.
 - f. Defaulting on the loan will result in the loss of collateral.
 - g. Personal Guarantee: Must have a personal guarantee from all owners with over 20% equity in the property or project.