



225 1st St NE

Melrose, MN 56352

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**CITY OF MELROSE
COMMERCIAL
REHABILITATION
DEFERRED LOAN
PROGRAM
(\$5,000 maximum)**

PURPOSE:

The purpose of the CRDL is to promote commercial building improvements addressing redevelopment and rehabilitation/renovation issues contributing to slum/blight as well as urgent community needs that are consistent with the adopted comprehensive plan.

PROJECT ELIGIBILITY:

1. Projects that contribute to the preservation of tax base.
2. Projects that improve the economic viability of commercial business in the City of Melrose.

ELIGIBLE IMPROVMENTS SHALL INCLUDE:

1. Façade improvements
2. Exterior Energy efficiency improvements
 - excluding flat roofs
3. Code improvements
4. Exterior site improvements
5. Exterior Signage

FOCUS:

The intent of the fund is to aid property owners to improve the exterior of their building and to restore the store front. Exposed brick or original design of the building is preferred, but other designs will be considered.

DESIRED APPLICATIONS:

- Historic Preservation
- Beautification
- Decorative Improvements

PROCESS:

1. **first** come, **first** served basis
2. Must submit copies of actual bids or written estimates along with your application.
3. Funding will be based upon the costs submitted with the application.
4. **\$5,000** or **50%** of the actual costs, whichever is **less**.
5. Photos and/or drawing must be attached providing colors and materials.
6. MADA approval of project.
7. Applicants should attend the MADA meeting.
8. Complete applications must be received a week prior to a scheduled MADA meeting.

9. The MADA reserves the discretion to fund or deny applications.
10. The MADA will make a final decision for approval and authorize execution of a Deferred Payment Loan (DPL)
11. Documentation will be submitted to Stearns County Recorder.
12. Staff will provide the Applicant with a Notice to Proceed.
13. Project costs incurred prior to the Notice to Proceed will not be eligible for reimbursement.
14. Funds will be released when invoices for project costs are provided.
15. No more than **two** checks will be issued per project. Applicant will make these arrangements with staff prior to the issuance of the Notice to Proceed.
16. Program is set up as reimbursement for the project.

An Application Fee of **\$150** is due at the time of application.



GUIDELINES:

CRDLs are deferred loans that will be forgiven after end of the **seven (7)** years if the applicant maintains ownership of the building.

If the real estate is sold, transferred or otherwise conveyed prior the end of the **Four (4)** year from the final disbursement date, whether **voluntarily or involuntarily**, the **full** amount of the deferred loan must be repaid to the MADA.

During the last three **(3) years** of the term the amount for repayment is **reduced** by **Thirty-three point three percent (33.3%)** per year.

At the **end** of the seventh (7th) calendar year the entire deferred loan is **forgiven**.

No payments are required on this loan unless the real estate is sold prior to the end of the 7th calendar year of the final disbursement date.

LOAN AMOUNTS:

\$5,000 or **50%** of the actual costs, whichever is **less**.

APPLICATIONS:

Please contact the City of Melrose Community Development Director to request an application.

**COMMUNITY DEVELOPMENT DIRECTOR
CITY OF MELROSE
225 1ST St. NE
Melrose, MN 56352
(320)256-4278**

