

COMMERCIAL LOAN PROGRAMS

Lewiston is Community Development Block Grant Entitlement Community that has used a portion of the CDBG funds received to capitalize a Revolving Loan Program. Under that program, unless otherwise directed by the City Council, loan repayments are funneled back into the Revolving Loan Fund to be used to make additional loans. The City Council may also recapitalize the Revolving Loan Program from future CDBG allocations. Following is a summary of the commercial loan programs funded from the Revolving Loan Program.

Microenterprise Program: This program will allow small business owners with 1-5 employees to access funds for a variety of uses including working capital, business plan support, training to increase capacity, and rehabilitation to make a space ready for the business. In order to access these funds, business owners must be low- to moderate-income, or create jobs for low- to moderate-income individuals.

Economic Development Loan: This loan allows business owners to use funds for acquisition, working capital, machinery, equipment upgrades, furniture and fixtures, or interior construction that addresses code violations. The business must either create jobs for low- to moderate-income individuals or serve a population that is 51% or more low- to moderate-income.

Façade Deferred Loan for Commercial Buildings: This allows business owners, or those leasing a business space, to improve the exterior of the commercial portion of their space. The business must serve people who are 51% or more low- to moderate- income, create jobs for low- to moderate income people, or eliminate spot blight. Eligible uses can include exterior lighting, signage, awnings, masonry, landscaping, painting, or windows to improve energy efficiency.

Façade Deferred Loan for Historic Properties: Work under this category can only be completed if the structure is listed or is eligible to be listed on the National Register of Historic Places; listed on a State or local inventory of historic places; designated as a State or local landmark or historic district by appropriate law or ordinance; or a contributing structure within an historic district. Eligible uses and requirements are the same as a commercial façade deferred loan, but can include the entire façade of the building and include roof repairs related to structural improvements that hold a façade in place and architectural design.

Residential Loan Program in Mixed-Use Properties

This program will allow building owners to open upper floors for residential uses. Eligible uses include correction of code violations, lead remediation, plumbing and heating upgrades, installation of security devices, and costs to remove architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons.

Funding requests will be pre-qualified for program requirement eligibility by city staff. Loan requests will be evaluated and underwritten for financial viability.

Application Approval

All applications for program funding are presented for review and approval to the Loan Qualification Committee (LQC), which consists of: the City of Lewiston's City Administrator, Economic & Community Development Director, Director of Finance, one member of the City Council, and one citizen representative preferably with lending experience.

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The actions of the Committee shall be governed by the following rules:

1. A majority of the Committee's members must be present to constitute a quorum. At least three (3) votes on the prevailing side are required to constitute a valid vote on any funding application.
2. Committee approval of applications will be contingent upon the applicant meeting the requirements of the program they are applying for
3. The Committee has the authority to adjust terms, rates and the match requirement and underwriting ratios on a case-by-case basis.

Approval/Disapproval of the Funding Request

Once the LQC makes a recommendation, the applicant will be notified via telephone by a representative of the Economic and Community Development Staff. If the terms have been modified, the borrower will be given an opportunity to accept the new terms and conditions or request an appeal.

Appeal Process

The applicant may appeal the decision of the Loan Qualification Committee (LQC) under the following circumstances:

1. Must be in writing with an explanation regarding why the applicant should be granted an appeal.
2. No new information may be presented by the applicant only clarification of information that was not presented correctly.
3. Request for an appeal must be made within 30 days of the date of the decision to deny or modify the terms of participation in writing to The LQC, Chairperson, who will conduct the appeal process.
4. The decision of the Chairperson is final.