

Purpose

Preservation loans are available on a competitive basis to property owners in historic districts or who own a City designated Landmark or individual historic property for exterior rehabilitation projects that meet the Secretary of the Interior's Standards for Rehabilitation.

This loan fund provides positive incentives to owners of these historic properties to maintain and improve the community's architectural heritage.



City of Dubuque
Historic Preservation Commission

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City of Dubuque
Historic Preservation Commission

HISTORIC PRESERVATION REVOLVING LOAN FUND



Applicant Eligibility

The owner of any property at least 50 years old and located in Jackson Park, Cathedral, W. 11th Street, Old Main or Langworthy Historic Preservation Districts or designated as a City Landmark or individual historic property.

Loan Amount/Terms



Up to \$25,000
3% interest rate
10 years

Monthly principal and interest payments begin after project completion, but not longer than 6 months after loan closing. Limit one loan outstanding per building. Work must be initiated within three (3) months and completed with six (6) months from date of Historic Preservation Commission approval. The Commission may grant additional time, if needed.

Security

Preferably at least a 2nd mortgage position and promissory note, or an amount not to exceed 100% of loan-to-value. The property value will be based on the assessed value, or on the appraised value after improvements if the assessed value is not a good indicator.

Application Process

Applications will be accepted during regular business hours at the Housing and Community Development Department, 350 W. 6th Street, Dubuque (Historic Federal Building.)

Assistance with the design review portion of the application is available during regular business hours by appointment at the Planning Services Department, 50 W. 13th Street, Dubuque (City Hall).

Eligible Improvements

Exterior work that results in property improvements that meet the Secretary of the Interior's Standards and Guidelines for Rehabilitation. Historic limestone retaining walls critical to the support or protection of structures on the same property or adjacent properties are eligible. If a wall did not exist, and the property could not be graded to a 3:1 slope from the property line to the structure, the wall is eligible.

Work must meet the Secretary of the Interior's Standards and Guidelines for Rehabilitation and any specific design standards established for the pertinent Historic District.

Project Ranking

Projects will be ranked by the architectural or historical significance of the building, and the priority of the work. The architectural or historical significance will be based on the Historic Properties inventory of 1978-1979 and *Architectural/Historic Survey/Evaluation of 2000-2005*.



Highest priority will be given to projects that result in saving, restoring, or reconstructing original building elements, using original materials that reflect the architectural character or significance of the property.

Second priority will be given to projects that use preservation alternatives, such as different materials, techniques or methods for rehabilitation of historic buildings.

Projects will receive a lower rating if the property owner is a previous borrower under this program.

Review and Approval

All applications must include required information on income, specific work proposed, and at least two estimates

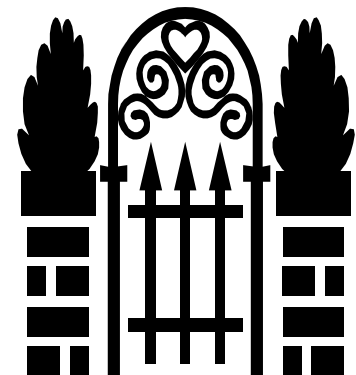
received from full-time contractors licensed and insured by the State of Iowa. Homeowners may do the work themselves; written quotes on the costs of materials must be provided. Labor by homeowners is not covered. Incomplete applications will not be processed.

A loan review committee of City Staff and Historic Preservation Commissioners will rank applications prior to income verification, make recommendations relative to loan amount, and review compliance with City Housing, Building and Historic Preservation Codes, and with Section 106 of the Code of Federal Regulations.

The Historic Preservation Commission will review the loan application, the proposed work, and the committee's recommendations. The Commission must approve a Certificate of Appropriateness for all proposed work prior to issuance of permits or processing of loans.

All applicable City reviews and permits must be completed; e.g., building permits, rental license, housing inspection, before any work begins.

Work begun prior to obtaining a required permit, review or approval will not be eligible for loan assistance.



The New Mexico Historic Preservation Loan Fund in a Nutshell

Enabling Legislation

Historic Preservation Loan Act, 18-6-18 to 18-6-23 NMSA 1978

Purpose

"to provide owners of registered cultural properties in New Mexico with low-cost financial assistance in the restoration, rehabilitation and repair of properties listed in the state register of cultural properties or national register of historic places,... through the creation of a self-sustaining revolving loan program..." -- quote from 18-6-19 NMSA 1978. The Historic Preservation Loan Fund rule, 4 NMAC 10.2 states: "These regulations have been promulgated primarily to govern projects jointly funded by the State Historic Preservation Division (Division) through its Loan Fund and lending institutions such as commercial banks, savings and loans, and credit unions."

Historic Preservation Loan Fund

A revolving fund has been created in the state treasury from which the Historic Preservation Division, Department of Cultural Affairs, makes or subsidizes loans. The Division deposits in the fund all receipts from repayment of loans from the fund. In addition, the Division may deposit in the Loan Fund any private funds made available for the Historic Preservation Loan Fund and any federal funds made available for the purpose of making grants or loans to owners of registered cultural properties. The Division partners with a lending institution who is the Lender of Record.

Loan Criteria

Borrowers must agree to do the following:

1. Repay the loan and maintain the property as restored, rehabilitated, or repaired for at least seven years;
2. Maintain complete and proper financial records regarding the property and make them available to the Division on request;
3. Complete the project within two years from the date of the closing of the Loan; and
4. Provide to the State sufficient collateral security interest in the property.

Priority Ranking

The Division and the New Mexico Cultural Properties Review Committee annually review the Criteria Guidelines and Priority Ranking of historic preservation projects for the loan applications received by the Division. Ranking factors include geographic distribution of recipient projects, severity of deterioration of the registered property proposed for loan fund assistance, the degree of architectural and construction detail in the Preliminary Application Form demonstrating the feasibility of the project, and availability of a bank, credit union, savings and loan or lending non-profit to partner in the loan with the Division.

Principal: Loans may be made in any amount up to \$200,000, maximum

Term: 5 years, maximum

Rate of Interest: The Historic Preservation Loan Fund contribution shall accrue interest at the rate of three per cent (3%) per annum; the "lending institution" rate of interest is negotiated between the borrower and the commercial bank, savings and loan, or credit union.

Repayment: Monthly installments to the lending institution. The first principal payment is due within one year of the loan closing date. State funds are fully repaid within 5 years, but monthly payments may be amortized on a 10 to 20 year schedule with a balloon payment at the end.

Eligibility

Each assisted property must be individually listed in the State Register of Cultural Properties, National Register of Historic Places, or both, or contribute to a historic district listed in either register. Any loan must be made in participation with a commercial bank, savings and loan, or credit union that agrees to act as the lender of record and service the loan.

The property owner may be the sole owner, joint owner, owner in partnership or corporate owner of a registered cultural property, including the owner of a leasehold interest in the property, if the lease is not less than nineteen years.

All assisted projects must comply with *The Secretary of the Interior's Standards for Rehabilitation*, or *Standards for Historic Preservation Projects*, as appropriate and as interpreted by the Division's staff and the State Historic Preservation Officer. Some restoration, rehabilitation, or repair of the building's facade must be done.

Eligible costs for Loan Fund assistance:

1. Architectural, engineering, and planning fees;
2. Inspection of work in progress;
3. Contracted restoration, rehabilitation, and repair; and
4. Work necessary to meet code requirements.

Ineligible costs for Loan Fund assistance include:

1. Land acquisition;
2. Legal expenses;
3. Fiscal agents' fees;
4. Landscaping, **except** if the landscaping is significant to the property's historic character as is noted in the State Register or National Register nomination of the property;
5. Relocation of historic structures;
6. Excavation of archeological sites, except as necessitated by an otherwise eligible restoration or rehabilitation project;
7. New construction, except as required by applicable codes;
8. Security systems, signs, plaques, building maintenance, equipment, tools, and similar ancillary items, and interior furnishings, unless any such items are significant to the property's historic character and are noted in the nomination of the property;
9. Repairs to additions added to a historic structure after its placement on the State or National Register; and
10. Routine maintenance, included but not limited to cleaning, painting, minor repairs or periodic upkeep, unless they are part of an extensive restoration or rehabilitation project.

Contact at the Historic Preservation Division

Dorothy Victor, Loan Fund Coordinator

"loannuts" 8/09/10

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Residential Revolving Loan Fund Policy Guidelines

1. Statement of Purpose:

The restoration and protection of Deadwood's historic buildings and structures are a primary part of the City's goal to preserve and maintain Deadwood's historic integrity. The expense of such restoration and protection projects may discourage property owners from having the work completed or may result in lower quality of craftsmanship. The purpose of this program is to assist and encourage property owners to use quality materials and craftsmanship by repairing first, where possible, and replacing, only if necessary.

2. Objective:

The City of Deadwood is a National Historic Landmark and is listed on the National and South Dakota State Registers of Historic Places. Maintaining these designations is critical to the economic success of the City and quality of life of its residents. The objective of the program is to stimulate the quality restoration and protection of buildings and structures that contribute to the historic integrity of the City of Deadwood.

3. Eligibility:

To be eligible for the Revolving Loan Fund (RLF) Residential Program, the applicant and project must meet the following criteria:

- a. The project must exist as part of a residential property and within the Deadwood city limits;
- b. Mobile homes and manufactured structures are excluded from this program.

A project must also meet one of the following:

- a. The project must affect a property listed on the City of Deadwood's 1993 Historic Sites Inventory as an historic property in the Deadwood National Historic Landmark District. Properties not listed on the inventory must be eligible for the National Register of Historic Places as defined in the National Park Service's National Register Bulletin 15: How to Apply the National Register Criteria for Evaluation.
- b. The project must affect individual life safety and structural deficiencies as determined by the City of Deadwood's Building Inspector and applicable life safety codes. Determination of individual life safety issues and structural deficiencies is based upon the codes adopted by the City of Deadwood under Chapter 15.01.010 and by additional verification obtained through other means available to the City.

The City of Deadwood's Historic Preservation Officer and Building Inspector determine a project's eligibility. All eligible applications are subject to the review of the Deadwood Historic Preservation Commission.

4. Definition and Examples:

Historic Preservation Project Definition – Projects which are intended to preserve or protect historic properties or properties eligible for historic status.

| Examples of Historic Preservation Projects | |
|--------------------------------------------|--------------------------------------------------------|
| • Repair building foundation | • Repair damaged roofing |
| • Repair / replace retaining walls | • Remove trees that are hazards to historic structures |
| • Repair / replace building siding | • Repair / replace doors and windows |
| | • Grading protect structures from water damage |

Life Safety Project Definition – Projects which are intended to protect people based on a facility's construction, protection, and occupancy features that minimize the effects of health, fire and related hazards.

| Examples of Life Safety Projects | |
|----------------------------------|--|
|----------------------------------|--|

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Upgrade substandard electrical systems• Repair fencing• Install access ramps, and doors• Installation of building insulation / weather proofing | <ul style="list-style-type: none">• Replace substandard heating system• Asbestos removal• Mold removal• Repair / replace damaged sidewalks / steps / handrails |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

5. Priority Schedule:

Due to the limited availability of funds and the extensive need for quality craftsmanship a priority schedule will be referred to in processing applications for revolving loan funds. These priorities may be amended to reflect the availability of funding and completion of projects currently considered "high priority."

- Life Safety** - First priority projects are those required by the City of Deadwood's Building Inspector and necessary to comply with the applicable Life Safety Codes.
- Historic Preservation (Listed Properties)** - Second priority projects are those affecting the preservation and protection of properties listed on the city's 1993 Historic Sites Inventory as historic, or contributing, in the Deadwood National Historic Landmark District.
- Historic Preservation (Value Adding Properties)** - Third priority projects are those affecting structures which in the opinions of the Deadwood Historic Preservation Commission, add to the historical integrity of the City of Deadwood as defined in Chapter 24:52:00:01 (4) of the administrative rules of the South Dakota State Office of History.

6. Program Requirements:

- All properties must meet the Revolving Loan Fund's eligibility requirements.
- All persons receiving financing must conform to applicable federal and local regulations governing the use of specific loan funds.
- All loan applicants must present evidence of their ability to repay the loan and provide adequate collateral.
- Loan approval is contingent upon approval of the project by the Deadwood Historic Preservation Commission.
- All projects will be performed pursuant to the Secretary of the Interior's Standards for the Treatment of Historic Properties and the Secretary of the Interior's Guidelines for the Rehabilitation of Historic Buildings.
- The property must meet Minimum Property Standards adopted by the City of Deadwood; therefore, the City Building Inspector will inspect the property every two years for compliance. If the property is not within compliance, the City Building Inspector will notify the homeowner of the deficiency and will provide a reasonable time frame to correct the deficiency. If the deficiency has not been corrected after three notifications the loan will be considered to be in default and the Deadwood Historic Preservation Commission will take legal action.
- If the owner/applicant desires to sell the property before the end of the loan term, the remaining unforgiven portion of the loan will be due in full.

- h. The owner/applicant must have addressed any additional preservation issues beyond the original work, meet Deadwood Minimum Maintenance Standards, and satisfy all loan conditions before loan can be transferred or forgiven.

7. Loan Conditions:

Life Safety

| LOAN AMOUNT | INTEREST RATE | TERM | PAYMENT AMOUNT | SECURITY |
|------------------------|-----------------|---------|-----------------------------------------------------------------------------------|----------------|
| Up to \$25,000 maximum | 0% ² | 5 years | Monthly payments due. ¹ Possible balloon payment due at end of term | Loan Agreement |

Historic Preservation

| LOAN AMOUNT | INTEREST RATE | TERM | PAYMENT AMOUNT | SECURITY |
|-------------------|----------------------------|---------|-----------------------------------------------------------------------------------|----------------|
| Varies by Project | Market Rate ^{2,3} | 7 years | Monthly payments due. ¹ Possible balloon payment due at end of term | Loan Agreement |

¹All Deadwood Historic Preservation loan programs will include the following fees: Credit Report, Recording Fee, 1% Loan Origination Fee, Settlement Fee and a Title Report Fee. These fees are collected from applicant/owner at loan closing. All loan fees will be disclosed on a Good Faith Estimate by NeighborWorks in accordance with the Real Estate Settlement and Procedures Act.

²Failure to complete work as approved in a timely fashion and/or failure to maintain property up to City of Deadwood's Minimum Maintenance Standards may cause loan to be payable in full at that time.

³Market Rate will be periodically determined by the Historic Preservation Commission from recommendations of the Loan Committee. The Deadwood Historic Preservation Commission reserves the right to modify, amend, or forgive the loan payment or to change or modify this program for any reason.

Property Owners must provide proof of ability to repay loan. Various documents will be requested by NeighborWorks to complete a loan application.

8. Forms and Technical Assistance:

- a. **Loans** - Loan application forms and loan technical assistance are available at the NeighborWorks Office, 795 Upper Main Street in Deadwood. Telephone: (605) 578-1401.
- b. **Project Approval or Certificate of Appropriateness** – The applications are available at the Historic Preservation Office located at Deadwood City Hall, 108 Sherman Street in Deadwood. (605) 578-2082. This form is also available online at: <http://www.cityofdeadwood.com> , under **Permits, Licenses & Forms** tab, then under Historic Preservation heading.

This form must be completed and given to the Historic Preservation Officer who will present it to the Historic Preservation Commission for consideration. *[No work can start until Historic Preservation Commission approval and the owner/applicant has an approved City of Deadwood Building Permit.]*

- c. **City of Deadwood Building Permit** – A City of Deadwood (Residential or Commercial) Building Permit must be acquired from the City of Deadwood Building Inspector located at 67 Dunlop Avenue, in Deadwood. Telephone: (605) 578-3082. This permit application form is also available online at: <http://www.cityofdeadwood.com> , under **Permits, Licenses & Forms** tab, then under Building Inspector heading.



Residential Revolving Loan Fund Administrative Procedures

1. Application

- The Applicant/Property Owner/Owner's Representative (Owner) obtains from Historic Preservation Office, NeighborWorks or City of Deadwood Website:
 - Revolving Loan Fund Residential Program Application form
 - An Application for Project Approval or Certificate of Appropriateness form may be required
- The Owner submits completed copies of the above forms with signatures to Historic Preservation (HP) Office.
- A discussion between the Owner and the Historic Preservation Officer is recommended to clarify requirements and expectations of this program. This can greatly streamline the process.

2. Determination of Eligibility

- The Historic Preservation Officer and/or City Building Inspector and/or NeighborWorks Loan Officer conducts an on-site inspection of property to determine eligibility.
- Photographs are taken for documentation.
- A needs assessment will be completed by appropriate City staff.

3. Loan Application

- The Owner will schedule an appointment with NeighborWorks to apply for the loan.
- The Owner will provide NeighborWorks with the required supporting documents to underwrite the loan application (Borrowers Ability To Repay)
- The Owner will provide NeighborWorks with cost estimates to complete the entire project in order to determine a requested loan amount
- NeighborWorks will present the loan request to the Historic Preservation Loan Committee for review and recommendation.
- NeighborWorks will provide the applicant with documentation stating the Owners financial responsibility and a Letter of Understanding showing the Owners share of the project costs. The Owner must sign this document.
- Please note the Owner will be responsible for any costs in excess of the approved loan amount. It is also the Owners responsibility to pay for all associated loan fees.
- NeighborWorks will present the loan request to the Historic Preservation Commission with the Loan Committees recommendation to approve or deny the loan request.
- If the loan request is approved, then NeighborWorks will contact the Owner to sign the required loan documents (i.e. Note, Mortgage etc.)
- The legal documents will be recorded

4. Historic Preservation Commission Project Approval

- Based on HP Staff Report, the Historic Preservation Commission (HPC) approves or denies the Application for Project Approval or Certificate of Appropriateness if required.
- NeighborWorks issues a “Notice to Proceed” to the Owner and/or Contractor and copies appropriate City staff.

5. Project Beginning and Ending

- The Owner is encouraged to enter into a contract with a City of Deadwood licensed Contractor for the project.
- The Owner or Contractor obtains a City of Deadwood Building Permit. A “Notice to Proceed” from either the Historic Preservation Officer or NeighborWorks must be obtained before applying for a City of Deadwood Building Permit.
- Where Construction Loan Draws are involved:
 - Construction Loan Draws are made subject to payment withholding to ensure project completion is accomplished.
 - All final or Construction Loan Draws are for materials and/or contractor’s costs only, supported by verifiable invoices. Owner’s time is not reimbursable. No prepayments are permitted.
- The Historic Preservation Officer and/or Building Inspector inspect the work in progress.
- The Historic Preservation Officer and Building Inspector conduct a final inspection after the completion of the entire project.

6. Expenditure Disbursement

- After the Building Inspector has reviewed the work and/or materials and has consulted with the Historic Preservation Officer, the Building Inspector authorizes NeighborWorks to approve invoiced amount (less any withholding).
- NeighborWorks initially approves invoices.
- At a HPC meeting, the HPC approves the disbursement which is added to the City of Deadwood Commission’s bill list for City (final) approval.
- Upon City approval, the City Finance Office issues checks for the disbursement to the Historic Preservation Office.
- Owner or Contractor pick-up disbursement check(s) from the Historic Preservation office and, if Contractor is involved, the Contractor must sign lien waivers before final payment is made.

7. Continued Administration of Loans

- NeighborWorks reviews all loan accounts once a month.
- Building Inspector notifies property owner if property does not meet Minimum Maintenance Standards, and if these issues are not resolved, the Building Inspector advises the HP Loan Committee. The HP Loan Committee provides recommendation to HPC either to work with owner, or make loan immediately payable.
- The Construction Loan will be rolled into a permanent loan requiring payments.

8. Satisfaction of Loan

- After terms and conditions of the loan are completed, NeighborWorks prepares a satisfaction of mortgage for the loan funds.
- HPC signs the satisfaction of mortgage.
- NeighborWorks collects from the Owner the recording fees for the satisfaction of mortgage documents.
- NeighborWorks delivers the satisfaction of mortgage to the Register of Deeds.
- NeighborWorks closes the Owner's loan account.
- NeighborWorks forwards the loan documents to the HP Office.
- The HP Office retains the loan documents for at least seven (7) years.