

FRANKLIN REDEVELOPMENT AUTHORITY (FRA)

Retail/Commercial Revolving Loan Program Guidelines

Objective

The objective of this program is to nurture new and existing businesses within the City of Franklin, in order to add stability to the City's tax base, provide products and services which will induce more commerce within the City, especially the Central Business District, and/or will encourage the use of upper stories within the City's Central Business District. It is also the objective of the Franklin Redevelopment Authority to make sound loans that will be repaid, so that the loan fund can continue indefinitely. All funds recaptured with this program will be used solely to perpetuate the program.

Target Area

All retail/commercial businesses within the City of Franklin meeting the minimum requirements are eligible to apply for funds under this program, however, the Franklin Redevelopment Authority emphasizes an importance on targeting those businesses within the City's Central Business District.

Eligibility

New retail or commercial businesses with an approved business plan and existing businesses demonstrating a financial need will be given consideration, as will commercial/retail property owners seeking to make property improvements to accommodate new or existing businesses or to encourage use of upper stories within the City's Central Business District. Loan proceeds may be used for the purchase of equipment, inventory, or building improvements. In special cases where the result of the loan will provide a measurable benefit to the community, other uses of funds may be considered. Loan applicants must be willing to provide 20% of the total project cost from private funds and those funds must be exhausted before FRA loan funds will be forwarded.

Terms

Rates, terms, loan paybacks, security of the loan, and time limits for expenditure of funds will be set individually by the Franklin Redevelopment Authority, depending upon the project, the amount requested, and the financial need of the applicant. No loan will be awarded in an amount that is over 85% of all the current loan funds available. Funds will be made available based upon the proper submission of invoices which support the request. A one-time application fee in the amount of 1% of the loan amount will be due upon acceptance of loan.

Other Relevant Requirements

Any construction project within the City's Historic District, which involves any portion of the building visible from the street, must be reviewed by the Franklin Historic and Architectural Review Board (HARB) and a Certificate of Appropriateness must be issued by City Council. Construction projects must also evidence that the proper building and zoning permits have been issued before any loan funds will be dispersed. The FRA may request other items from the loan applicant to help ensure the resulting loan will be credible.

Administration

The Franklin Community Development Dept. will issue amortization schedules, collect payments, and perform all necessary bookkeeping and other administrative functions on behalf of the Franklin Redevelopment Authority.