

## **Maples Revolving Loan Fund Policy**

### **Purpose**

The Maples Revolving Loan Fund (Maples RLF) is intended to provide funding, in the form of a loan, for community development activities benefiting the City of Rutland.

### **Funding**

Funding for the Maples RLF was provided from repayment of the Maples Phase I project. The full repayment from this loan was collected on March 3, 2016.

### **Qualification of Applicants**

Applicants must show, through presentation of tax returns, balance sheets, etc. that the applicant has the capacity to repay the loan under the terms of the loan.

### **Criteria for Funding Award**

The City shall use the following criteria in determining loan award eligibility, terms, and conditions:

- 1) Whether the applicant's project is likely to provide significant benefit to Rutland City including:
  - a) grand list growth
  - b) blighted/underutilized property remediation and redevelopment
  - c) community and neighborhood revitalization
  - d) single family home owner occupancy
  - e) economic development and job creation
  - f) contribution to overall vitality of the City
- 2) What proportion the requested loan funds will contribute to the total project
- 3) Whether applicant has sought funding through other sources.
- 4) Ability to repay loan.

## **Use of Funds**

Funds from the Maples RLF will be used for the following purposes:

- 1) To loan funds to non-profit housing developers for the purchase of derelict housing units. Properties purchased in this manner will be rehabbed or replaced and the property returned to active use. All properties funded will remain on the City Grand List.
- 2) To loan to property owners in the downtown area for façade improvements to historic structures.
- 3) To loan for other block grant eligible projects.

Board of Aldermen reserves the right to grant Maples RLF funding for a City sponsored VCDP project.

## **Application Process**

The Rutland Redevelopment Authority (RRA) will accept applications for Maples RLF funds from potential applicants on forms to be developed by the RRA. The RRA Executive Director will act as administrator of the Maples RLF. The RRA Board of Commissioners will review each application and recommend to the Board or Aldermen the amount and terms of the loan to be offered. The Board of Aldermen will have the final approval of the loan terms.

## **Terms of Loan**

The terms of the loan shall be determined on a case by case basis, with the recommendations of those terms by the RRA subject to Board of Aldermen approval.

## **Availability of Funds**

Application will be reviewed as received, and funds may be allocated up to the amount of principal available in the Maples RLF. In the event that more funds are applied for than are available at any given time, the RRA Board of Commissioners will rank the applications, and make recommendations to the Board of Aldermen as to which proposals should be funded, and at what amount.