

SOUTH WARD ★

Façade Improvement Loan Pilot Program

Application



INVEST NEWARK

NEWARK
URBAN
ENTERPRISE
ZONE



NEW JERSEY
URBAN ENTERPRISE
ZONE AUTHORITY

South Ward
SWD
Special Improvement District

PROGRAM DESCRIPTION & OVERVIEW

The Newark Urban Enterprise Zone has established a Façade Improvement Loan Program with funds received from the New Jersey Urban Enterprise Zone (UEZ) Authority.

The program is designed to provide businesses with funds to assist with exterior improvements such as business façades, replacement of deteriorated or poor-quality commercial signs and awnings, and/or window/door replacement.

The program awards loans from \$10,001 up to \$20,000 to individual business owners to subsidize the expense of making qualified exterior improvements.

Loans will be made on a continuous, first-come, first-served basis, subject to funding availability and at the sole discretion of Invest Newark.

The loan focuses solely on businesses within the South Ward SID and the UEZ.

PROGRAM OBJECTIVES

- ★ Encourage the visual improvement of storefronts, commercial building façades, signs, and awnings;
- ★ Enhance the appearance of the streetscape
- ★ Reduce vacancies in commercial buildings and storefronts
- ★ Expand worker and shopper populations in commercial business districts
- ★ Strengthen or restore the original character and aesthetics of historic buildings
- ★ Provide a catalyst for others to improve their façades and walkways
- ★ Improve public safety for pedestrian foot traffic

ELIGIBILITY REQUIREMENTS

The application and supporting documents must demonstrate that the business is in compliance with local and state regulations for registration and licensing. There must not be any outstanding code violations on the property other than those to be remedied by participation in this program.

The loan applicant must be either a Building Owner or a Business Owner/Tenant. Tenants must have the property owner's signed approval for the proposed project and must have at least five (5) years remaining in the lease at the location of the proposed project and/or option to renew for at least two years at the time of the application submission. In either case, as a condition of receiving the loan, the applicant must be willing to sign a façade improvement grant (forgivable loan) agreement, security agreement, promissory note, and environmental and ADA indemnity agreement. These agreements are non-negotiable and are a condition to receiving any loan. Invest Newark reserves the right to modify these agreements at any time in its sole discretion.

The business must be located within the City's Urban Enterprise Zone and registered with the State of New Jersey Urban Enterprise Zone Program to qualify for the Façade Improvement Loan Program. For more information on the Newark UEZ, visit investnewark.org/business-development-urban-enterprise-zone/.

LOAN REQUIREMENTS

- ✓ Business must be UEZ-certified
- ✓ Tax compliant with State of NJ
- ✓ Registered and licensed with City and State
- ✓ No unresolved code violations (unless addressed through this project)
- ✓ Submit two years of filed federal tax returns
- ✓ Completed W-9 form
- ✓ Lease agreement and property owner approval letter (if tenant)
- ✓ Willing to sign required loan agreements
- ✓ Submit property photos, improvement sketches, and three estimates from contractors

APPLICATION PROCESS & REQUIREMENTS

1. Complete and submit the application with all documentation
2. South Ward Special Improvement District reviews the application for eligibility
3. Required permits checked
4. If approved, notification will be provided along with the next steps
5. Funds are disbursed after full approval and ACH submission

Applicants must submit an application via email, mail, or drop off with required attachments (see Façade Improvement Loan Application Checklist below) to:

Project Manager
South Ward Special Improvement District
1049 Bergen St.
Newark, New Jersey 07112

Applications will be considered only if they are filled out completely and include all items on the attached checklist. Funding will be provided on an ongoing, first-come, first-served basis until all grant funds are expended.

Upon receipt of the completed application, the Business Improvement District will review each application based on eligibility requirements and help the applicant work with the Zoning and Construction Departments to ensure the project complies with existing Zoning and Construction regulations and determine if any permits are required for the project. If permits are required, the applicant is responsible for securing them.

If an application is determined to be incomplete, ineligible, or not feasible, the applicant will be notified in writing and will be given the opportunity to resubmit a revised application. An application will not be accepted under the rolling deadline until it is complete and determined to be eligible and feasible.

It is anticipated that there may be more demand than available funds. Invest Newark reserves the right to approve or deny any application in its sole discretion. Funding may be provided on a first-come, first-served, rolling basis until all loan funds are expended, though, subject to UEZA requirements, Invest Newark reserves the right to reject all applicants even if funds are not expended. Loans are limited to one application per qualified business.

QUALIFIED EXTERIOR IMPROVEMENTS

All qualified exterior improvements must comply with local zoning and construction regulations.

See “Submission Requirements” for more information.

- ✓ Exterior elements that improve the aesthetics of the building
- ✓ Exterior painting
- ✓ Removing inappropriate or incompatible exterior finishes and materials (false fronts, such as aluminum panels)
- ✓ Restoring exterior finishes and materials
- ✓ Installation of safety glass
- ✓ Recessing/reconfiguring existing doors and entrances
- ✓ Repairing or replacing existing storefront window systems
- ✓ Signs attached to buildings (new, repair, replace, and/or remove)
- ✓ Exterior building and sign lighting, exterior lighting fixture, and display area lighting;
- ✓ Awning (new, repairs, or replacement of existing)
- ✓ Replacement of missing historic elements
- ✓ Modification or removal of inappropriate alterations
- ✓ Masonry or repointing
- ✓ Added or improvements to architectural elements
- ✓ Replacing/reconfiguring/repairing walkways and thresholds to the business’s customer/client entrance
- ✓ Vestibule installations/improvements

UNQUALIFIED PROJECTS

- ✗ Interior repairs not integral to the exterior façade improvement
- ✗ New building construction or additions
- ✗ Purchase of property/equipment
- ✗ Roof improvements, replacement, or repair
- ✗ Lighting elements not associated with new light fixtures or repaired fixtures
- ✗ Removal of architecturally important features
- ✗ Sidewalk repair or curb cuts
- ✗ Planting, landscaping, street trees, or street furniture
- ✗ Parking
- ✗ Signs not permanently attached to the building
- ✗ Design only projects

LOAN RECIPIENT OBLIGATIONS

Improvement Protection: Signs, awnings, and any other exterior elements added must remain in place and unaltered for five years from the date the improvements are completed.

Reimbursement: Loan funds will not be paid in advance of work being performed. Loan recipients will be reimbursed 50% upon completion of 50% of the work, and 100% upon 100% completion of the work following invoice review and approval. The City will not pay contractors or subcontractors directly for work or services performed.

Tax Consequences: Recipients should consult a tax and/or financial advisor regarding the tax consequences of this forgivable loan upon the business and business's owner(s). Upon completion of the project, provided there is no default under the loan agreement, the loan will be forgiven by 1/5th of the amount of the loan on each anniversary date of the loan agreement. At the end of the five-year term of loan, it will be entirely forgiven. A 1099-C in the amount so forgiven will be issued to the business for each year during the term of the loan.

One-Year Completion: The project must be completed within one year from the date the required agreements are signed. Failure to complete work will result in future ineligibility for Urban Enterprise Zone Programs.

Security Agreement & UCC Filing Requirement (Conditional)

While this program offers loan funding, the loan is contingent upon compliance with all program requirements for a period of five (5) years following the completion of the improvements. Should the loan recipient fail to meet these requirements, including but not limited to maintaining the improvements, remaining in business at the project location, or violating other performance terms, repayment may be required.

To secure this contingent obligation, the loan recipient shall be required to execute a Security Agreement, Environmental Agreement, and ADA Indemnity Agreement at the time of loan approval, granting Invest Newark a security interest in all assets of the applicant's business. A UCC-1 Financing Statement will be filed with the State of New Jersey to perfect this interest.

Failure to comply with the terms of the loan or Security Agreement may trigger repayment and enforcement actions.

Questions

For questions regarding the Façade Improvement Loan Program, contact the Project Manager at: projectmanager@investnewark.org or 973-985-4892.

Applications will not be considered complete without **ALL** documents from the required checklist.

FAÇADE IMPROVEMENT LOAN PROGRAM

Project Application

All applicants must complete and submit an application with required documentation to be considered for the Facade Improvement Loan from the Newark Urban Enterprise Zone. Meeting eligibility requirements does not guarantee approval, and Invest Newark reserves the right to deny any application for any reason in its sole discretion. Please read the program guidelines and eligibility sections prior to completing the application. If you require further clarification, please contact staff at **973-985-4892**.

PROJECT ADDRESS	BLOCK #	LOT #

DOING BUSINESS AS:	APPLICANT NAME:

ADDRESS:

DAYTIME PHONE NUMBER:	EMAIL:

FACADE IMPROVEMENT FUNDS REQUESTED*: <i>*Request must be between \$10,001 and \$20,000</i>	TOTAL PROJECT COST:

DESCRIPTION OF PROJECT:	<i>(additional description may be attached)</i>

PROPOSED
START
DATE:

PROPOSED
COMPLETION
DATE:

Do you plan on using the services of an architect or engineer?

☐

YES

☐

NO

If yes, list your architect or engineer being retained:

PROPERTY OWNERSHIP:

1. Do you own or lease the property on which the facade improvements will be made?

☐

OWN

☐

LEASE

2. If you lease, what is the expiration date of the lease?

3. Name, address, and telephone number of the owner of record for leasehold properties:

★ *I hereby consent to the conditions as outlined in this document and agree to complete the improvement project as proposed in the application.*

APPLICANT/BUSINESS TENANT

Print Name	
Signature	
Date	

BUILDING OWNER

Print Name	
Signature of Applicant	
Date	

★ *I acknowledge and agree that if I fail to meet any terms of the loan agreement, as determined in Invest Newark, the loan shall become immediately due and payable in full. I further acknowledge that I will be required to execute a Security Agreement and authorize the filing of a UCC-1 Financing Statement to secure this obligation, with all costs of collection, including reasonable attorneys' fees, to be paid by me.*

★ *I certify that I am not subject to any outstanding property taxes, fees, judgments, liens, or other outstanding obligations to the State of New Jersey, Essex County, or the City of Newark. This certification is ongoing, and I agree to immediately notify Invest Newark or any change to this status.*

Print Name

Signature of
Applicant

Date

★ *I certify that all information provided in this application and all submitted documentation is true, accurate, and complete. Any false, misleading, or incomplete information shall constitute grounds for immediate rejection of the application or, if discovered after loan approval, immediate repayment of all loan funds plus interest at the maximum legal rate. I agree to immediately notify Invest Newark in writing of any changes to the information provided. Invest Newark reserves the right to verify all submitted information through any reasonable means.*

Print Name

Signature of
Applicant

Date

Application Checklist and Required Attachments:

The following items must be submitted with the application form

	Completed Application, including Applicant, Owner, and Tenant certifications
	Urban Enterprise Zone Certificate
	Color photographs of the facade to be improved in its current condition
	Plans, specifications, concept sketches, and narrative of proposed improvements
	Detailed budget and three cost estimates from licensed contractors, including name, address, business license number and phone number
	Proof of Fire and Extended Insurance Coverage for Building and Property, as well as Flood Insurance (if applicable)
	Copy of Deed or Tax Bill (property owners only)
	Valid Zoning Permit (if required)
	Facade/Signage Permit from the City of Newark
	If leased property, a signed statement of permission for the proposed improvements signed by the owner of record
	Copy of lease agreement (if tenant is applying)
	Copy of Business License, Insurance and Lease (Business owners only)
	Copy of the Business Registration Certificate (BRC) of the applicant
	Completed W-9 Form in the name of the applicant
	Two years of filed federal tax returns for the entity

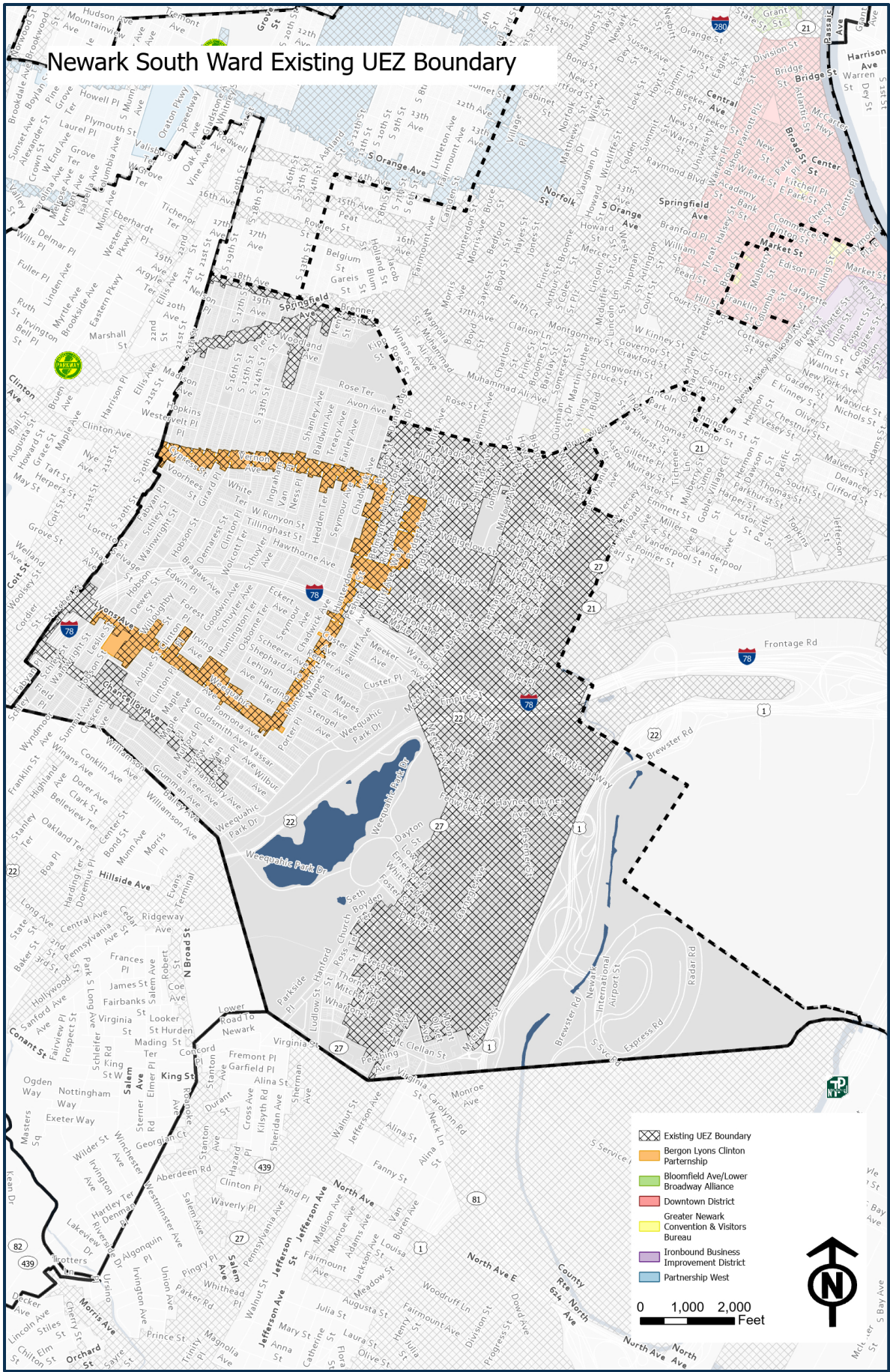
For Office Use Only:

☐

APPROVED

☐

NOT APPROVED



Scan to see
if your
business is
within the
UEZ area