

Dear Applicant,

Thank you for your interest in the programs offered by the Redevelopment Agency of Salt Lake City (RDA). The RDA provides an array of loan and tax increment reimbursement programs to assist property owners, business owners, and developers with new construction, building renovation, historic preservation, public improvements, and environmental remediation efforts. These programs support RDA's work to remove blight and promote private investment in specific areas of Salt Lake City.

The RDA program application is structured to make the loan process easy to navigate and understand. The application includes a loan guide that lists all requirements necessary to apply for a loan. We encourage applicants to work closely with the RDA staff during the loan process.

From addressing blight to re-establishing safe, clean, social spaces through public and private investments, the Redevelopment Agency works hard to elevate the quality of life for all city residents, businesses, and visitors through its many endeavors. Thank you for your interest in working with us to improve Utah's capital city.

Sincerely,



Luke Garrott
Chair, RDA Board of Directors



Ralph Becker
Chief Administrative Officer



REDEVELOPMENT AGENCY
OF SALT LAKE CITY

HOUSING PROPERTY ACQUISITION LOAN CRITERIA

Short-term loans are available to non-profit and for-profit developers who acquire property for mixed-income housing projects. The Redevelopment Agency (RDA) will lend up to \$500,000 for projects where 20 to 40 percent of total units proposed will be available to households whose incomes are 60 percent or less than area median income for rental units or 80 percent or less than area median income for owner-occupied condominium units.

The terms are 0% interest for non-profit and 5% interest to for-profit developers. The loan is due in full when the construction financing is in place. All loans are subject to qualifications of the borrower(s) and availability of funds.

Eligible Properties:

1. All Redevelopment Project Areas are eligible except the North Temple Viaduct and Ball Park project areas.
2. Residential or mixed-use properties located within a designated RDA Project Area.
3. The owner's plan for the property must contribute to the RDA's goals for the Project Area and conform to neighborhood's master plan. RDA goals are available upon request.
4. The proposed housing component must include either (i) in a rental housing development, at least 20% and not more than 40% of the units shall be rented or leased to households whose income is sixty percent (60%) or less of the median income of Salt Lake County for a period of at least 15 years, or (ii) in a for-sale housing development, at least 20% and not more than 40% of the units shall be sold to owner-occupant households whose income is eighty percent (80%) or less of the median income of Salt Lake County (the "Affordable Housing Requirements").

Persons Eligible to Apply:

1. The applicant for a loan must be the title owner to the property.
2. Applicant shall have a successful track record of developing housing.
3. Property taxes and special assessments must be current.
4. No judgments or liens are outstanding against the applicant(s).
5. Applicant's credit history shall demonstrate prompt payment of past obligations. Applicant shall have income adequate to repay the funds loaned.
6. The RDA shall not discriminate against any applicant for reimbursement on an unlawful basis.

Use of Loan Funds:

1. To finance the acquisition of property intended for all or part of a housing development.
2. To finance associated holding costs for the property.

Terms of Loans:

1. The maximum amount of a loan from the RDA for one project shall be \$500,000.
2. The term of the loans shall be for a period of three (3) years.
3. For for-profit developers, interest shall accrue at a fixed rate of 5% per annum. The default rate shall be 14% per annum.
4. For non-profit developers, interest shall accrue at a fixed rate of 0%. The default rate shall be up to 14% per annum.
5. There shall be no payments on the loan. A balloon payment shall be due at the closing of a construction loan.

6. Applicant shall have recorded, in a first lien position, a housing deed restriction which will require that the Affordable Housing Requirements are met (“Deed Restriction”). Should another public entity providing financing or tax credits for the development also require a deed restriction which would be an equal or greater restriction on the affordable housing units (“the Substitute Deed Restriction”), the RDA shall release the Deed Restriction at the time the Substitute Deed Restriction is recorded. In no event, shall the Substitute Deed Restriction result in a development where the proportion of income targeted units exceeds 40%.
7. Design approval of the development by the Planning Commission or the RDA’s Board of Directors.
8. Borrower is responsible for obtaining a phase one environmental survey, and if it appears necessary from the phase one survey, then a phase two study shall also be required at the sole discretion of the RDA. Properties found to have environmental hazards shall have a cleanup agreement with the Utah Department of Environmental Quality in place prior to loan closing.
9. Loans shall have safeguards satisfactory to the RDA to assure repayment and meet the RDA’s underwriting criteria.
10. The Borrower shall provide a personal guaranty to the RDA guarantying full and unconditional completion of the proposed improvements and repayment of loan.
11. Loans may be prepaid in whole or in part at any time without penalty.
12. Loans made under this program shall be non-assumable and due in full on sale.
13. Loan amount shall include a fee in an amount to cover legal and other expenses related to the RDA's origination, underwriting and loan documentation.
14. Closing costs associated with a loan shall be borne by the applicant including but not limited to the cost of title search and insurance, credit reports, and attorney fees.

Collateral:

All loans will be secured by the property with a standard form RDA Trust Deed in first position. Appraisals must be conducted in conformance with the adopted policy of the RDA. No commercial appraisal will be required where the current year Salt Lake County Assessed value is adequate to meet the RDA’s 80% loan-to-value ratio requirement. Other acceptable forms of collateral include:

- Standby Letter of Credit. Borrower provides a letter of credit from an approved financial institution. Prior written notice is required for any cancellation or non-renewal.
- Other Real Estate. Borrower provides the RDA with a first or second trust deed priority on property located in Salt Lake County.
- Pledge Account. Borrower enters into an agreement with the RDA to pledge an approved account for the term of the loan. The RDA would require written consent for all fund withdrawals. (Approved types of pledge accounts include: Certificates of deposit, savings accounts, Bonds).

Additional Program Policies:

The Housing Acquisition Loan Program may not be used by owner(s) or developers(s) who have obtained a tax increment reimbursement for the same project under the RDA’s Tax Increment Reimbursement Program.

Exceptions to Loan Criteria:

The Board of Directors, by a majority vote of those present, provided that a quorum is present, may waive requirements or make exceptions to the foregoing criteria and procedures with a finding that the goals of this program will be furthered by such waiver or exception. RDA staff will prepare a written statement regarding the waiver or exception and shall place the original statement and a copy of the minutes of the Board of Directors in the loan file.

RDA Acknowledgment Guide:

Pending RDA approval, and per the RDA Logo Usage Guide and RDA Acknowledgment Guide, applicants will be required to include the RDA logo and name, and acknowledge the RDA's contributions or assistance to the project in all printed materials describing the project including but not limited to: 1) brochures, flyers, printed materials and signage; 2) interviews with press organizations; 3) descriptions of the project in newspapers, mass emails, advertisements, and case studies; 4) on websites owned by Applicant or Applicant's business, in which the project is discussed or described.

Loan Document Confidentiality:

While private information will be protected to the greatest extent possible under the law, any documents or records submitted to the RDA may be subject to disclosure pursuant to the Governmental Records Access and Management Act, U.C.A. §63-2-101. If the Applicant believes the information provided to RDA constitutes trade secrets or confidential commercial information, please provide a written claim of business confidentiality and a concise statement of the reasons supporting the claim of business confidentiality in letter form.

SAMPLE LETTER

Re: Business Confidentiality Claim

Ladies and Gentlemen:

The undersigned intends to enter into negotiations with the Redevelopment Agency of Salt Lake City (the "RDA") regarding a possible business transaction (the "Transaction"). The undersigned may be required to disclose certain confidential business information to the RDA as part of the Transaction, including, without limitation, tax returns, financial statements, business or project plans and similar materials. Because the RDA is a governmental agency that may be subject to the provisions of the Utah Government Records Access and Management Act, Utah Code Ann. §63-2-101, et seq. ("GRAMA"), information received by the RDA may be subject to public disclosure.

This letter is sent pursuant to Utah Code Ann. §63-2-305 and notifies the RDA that the undersigned considers the information accompanying this cover letter to be protected records pursuant to Utah Code Ann. §63-2-304 (1) and (2). The undersigned considers this information to be confidential to the undersigned's business operations and a trade secret and the undersigned would consider disclosure of this information to potentially result in unfair competitive injury to the undersigned. Therefore, the undersigned requests that the RDA maintain such information in a confidential nature and that the RDA not disclose such information pursuant to GRAMA or otherwise.



**REDEVELOPMENT AGENCY
OF SALT LAKE CITY**

HOUSING PROPERTY ACQUISITION LOAN GUIDE

The Housing Property Acquisition Loan Guide provides a comprehensive list of items that are required to apply for a loan from the Redevelopment Agency. Additional items may be requested during the application process. Please review the list of items.

As you submit each item, mark the last column with a corresponding date. The Redevelopment Agency Project Manager/Coordinator will work with you to answer any questions and facilitate the loan process.

List of Items	Applicant/Form Provided	Date Submitted
Financial Documents:		
Last three years of signed IRS filings for each owner and loan guarantor	Applicant Provides	
Last three years of signed business IRS filings (if applicable)	Applicant Provides	
Signed personal financial statements for each owner and loan guarantor	Form Provided	
Signed Credit Report release form for each owner and loan guarantor	Form Provided	
Verification of other financing sources (Letter of Commitment, etc.)	Applicant Provides	
Other items:		
Business/Applicant Information:		
Applicant & Property Information form	Form Provided	
Article of Incorporation, Business License, etc.	Applicant Provides	
Verification of the applicant's non-profit status (if applicable)	Applicant Provides	
Other items:		
Collateral Information:		
Appraisal Report	Applicant Provides	
Preliminary Title Report	<i>Agency Provides</i>	
Letter of Intent from an Approved Financial Institution - If standby letter of credit is the proposed collateral	Applicant Provides	
Authorized Statement of Account - If Pledge Account is proposed collateral	Applicant Provides	
Other items:		

List of Items	Applicant/Form Provided	Date Submitted
Property/Project Information:		
Schematic Plans for the proposed housing project (Attachment A on Applicant & Property Information form)	Applicant Provides	
Marketing & Management Plan for the proposed housing project (Attachment B on Applicant & Property Information form)	Applicant Provides	
List of recent housing projects accomplished by the applicant (Attachment C on Applicant & Property Information form)	Applicant Provides	
Phase I Environmental Site Assessment	Applicant Provides	
Purchase & Sale Agreement	Applicant Provides	
Other items:		
Loan Documents Required After Approval for Closing:		
Representations and Agreements of Applicant	Form Provided	
Liability Insurance - Agency named as additional insured	Applicant Provides	
Property Insurance – Agency named as loss payee	Applicant Provides	
Flood Insurance – 100 year flood plain (if applicable)	Applicant Provides	
Worker Compensation Insurance	Applicant Provides	
Letter of Confidentiality (template included in program criteria)	Applicant Provides	
A copy of the executed contract between the Borrower and the contractor	Applicant Provides	
A copy of the contractor's business license, certifications, and appropriate insurance certificates	Applicant Provides	
Other items:		



**REDEVELOPMENT AGENCY
OF SALT LAKE CITY**

PROCESS AND PROCEDURES

Loans Approval Process:

1. Submit complete application as detailed in the Loan Guide document.
2. All loans are subject to Agency underwriting and availability of funds. Completed loan applications will be considered on a first-come first-served basis.
3. The Redevelopment Agency of Salt Lake City provides different tracks for loan review and approval based on the amount requested:

	Loans less than \$25,000	Loans from \$25,000 to \$500,000	Loans greater than \$500,000
Approval Process	Reviewed and approved/denied by Redevelopment Agency staff	Reviewed and approved/denied by a Loan Committee made up of at least three members of the Redevelopment Advisory Committee	The Loan Committee shall recommend approval or denial to the Agency's Board of Directors who shall make the final decision concerning funding for the loan request
Application Completion Deadline for Monthly Review	Anytime	Third Wednesday of each month	Third Wednesday of each month

Disbursement Procedure:

1. Borrower shall submit draw requests on an AIA Document G702, Application and Certificate of Payment or some other form acceptable to Agency staff. Borrower shall provide copies of invoices for the completed work, and copies of inspection reports prepared by the Department of Building and Housing Services, when applicable.
2. A representative of the Agency will inspect the property to verify the work described in the submitted invoices.
3. Funds set aside for the tenant improvement portion of the loan shall only be disbursed once a lease has been signed with a tenant and the Agency has reviewed and approved the construction drawings.
4. The Borrower will be responsible for obtaining executed lien waivers from the contractor or materialmen when payment is made and to deliver the lien waivers to the Agency for its file.

Agency Oversight of Projects and Loans:

1. Design approval of the development by the Planning Commission or the Agency's Board of Directors.
2. All project specifications shall be approved by the Agency's staff or a committee set up to review such projects.
3. All projects funded with a single loan shall be completed within one year of the loan closing.
4. The Agency shall verify that each loan is serviced in accordance with normal procedures used in prudent loan servicing.
5. All loans shall have sufficient controls to protect the Agency's interest in said property, including but not limited to release of lien claims concurrent with payment.
6. The Agency requires General liability insurance with a "combined single limit" of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate, and an endorsement naming the Agency as an additional insured. Proof of such insurance will be required in advance of closing and updated annually until loan is repaid in full.
7. The Agency requires Property insurance coverage in an amount equal to the total outstanding debt on the secured property, including the loan from the Agency, with the Redevelopment Agency of Salt Lake City named as loss payee to the extent of its interest. Proof of such insurance will be required in advance of closing and updated annually.
8. Flood insurance is required for properties located within the 100 year flood plane. Proof of such insurance will be required in advance of closing and updated annually until loan is repaid in full.
9. Borrower shall provide to the Agency a copy of the contractor's business license and appropriate insurance certificates.



**REDEVELOPMENT AGENCY
OF SALT LAKE CITY**

APPLICANT & PROPERTY INFORMATION

APPLICANT INFORMATION:		
Name of Company:		
Phone:	Employer Identification Number:	
Current Business Address:		
City:	State:	ZIP Code:
Legal Structure (check one): <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability <input type="checkbox"/> Corporation		
Name of Owner(s):	Title:	Percentage of Ownership:
Address of Property:		
City:	State:	ZIP Code:
Date Purchased:		
DESCRIPTION OF PROPERTY:		
Total Square Footage:		
Property is Vacant (check box): <input type="checkbox"/>		
Existing Commercial Uses		
Occupied:	Use:	Square Footage:
Unoccupied:	Use:	Square Footage:
Existing Industrial Uses		
Occupied:	Use:	Square Footage:
Unoccupied:	Use:	Square Footage:
Existing Residential Uses		
Total No. of Units:		
No. of Units Occupied:		

ATTACHMENTS:			
Attachment A: Schematic Plans for the proposed housing project.			
Attachment B: Marketing & Management Plan for the proposed housing project.			
Attachment C: List of Recent Housing Projects accomplished by the applicant.			
PROPERTY PURCHASE PRICE:			
Redevelopment Agency Loan Amount		+	\$
Other Financing		+	\$
Owner Equity Contribution		+	\$
Total Property Purchase Price:		=	\$
SOURCE OF MATCHING FUNDS:			
Source:	Amount Requested:	Date of Request:	Amount Approved:
	\$		\$
	\$		\$
	\$		\$
	\$		\$
<input type="checkbox"/> Provide documentation (Letter of Commitment, etc.) demonstrating that funds have been requested			

Attachment A

Schematic Plans:

Attachment B

Marketing & Management Plan:

Attachment C

List of Recent Housing Projects:



**REDEVELOPMENT AGENCY
OF SALT LAKE CITY**

PERSONAL FINANCIAL STATEMENT

Contact Information					
Name:			Residence Phone:		
Residence Address:					
City:		State:		Zip Code:	
Section 1. Assets & Liabilities					
Assets			Liabilities		
Cash on hand & in Banks	\$		Accounts Payable	\$	
Savings Accounts	\$		Notes Payable & Installment Accounts	\$	
Accounts & Notes Receivable	\$		Loans on Life Insurance	\$	
Life Insurance – Cash Surrender Value Only	\$		Mortgages on Real Estate	\$	
Stocks and Bonds	\$		Unpaid Taxes	\$	
Real Estate	\$		Other Liabilities	\$	
Automobile – Present Value	\$				
Other Personal Property	\$				
Other Assets	\$				
Total Assets	\$		Total Liabilities	\$	
Section 2. Source of Income and Contingent Liabilities					
Source of Income			Contingent Liabilities		
Salary	\$		As Endorser or Co-Maker	\$	
Net Investment Income	\$		Legal Claims & Judgments	\$	
Real Estate Income	\$		Provision for Federal Income Tax	\$	
Other Income	\$		Other Special Debt	\$	
Section 3. Notes Payable and Installment Accounts (Including Credit Cards)					
Name of Creditor	Original Bal.	Current Bal.	Payment Amt.	Terms (Monthly, etc.)	How Secured or Endorsed Type of Collateral
	\$	\$	\$		
	\$	\$	\$		
	\$	\$	\$		
	\$	\$	\$		
	\$	\$	\$		

Section 4. Stocks and Bonds (Describe brokerage account, value, and name)						
Section 5. Real Estate Owned (List each parcel separately - Attach supplemental sheets if necessary)						
Address of Property	Name on Title	Date Purchase	Original Cost	Present Val.	Mortgage Bal.	Payment Amt.
			\$	\$	\$	\$
			\$	\$	\$	\$
			\$	\$	\$	\$
			\$	\$	\$	\$
			\$	\$	\$	\$
Section 6. Other Personal Property (Describe)						
Section 7. Other Assets (Describe)						
Section 8. Unpaid Taxes (Describe as to type, when due, amount, and if any liens have been filed)						
Section 9. Other Liabilities (Describe)						
Section 10. Life Insurance Held (Give face amount of policies, name of company and beneficiaries)						

I/We hereby certify that all statements in this application are true and complete and are made for the purpose of obtaining credit. I/We fully understand that it is a federal crime punishable by fine or imprisonment or both to knowingly make any false statements concerning any of the above facts, as applicable under the provisions of Title 18, United States Code, Section 101

Applicant Signature

Date

Applicant Signature

Date



REDEVELOPMENT AGENCY
OF SALT LAKE CITY

CREDIT REPORT

The borrower(s) credit report should indicate a history of willingness and ability to repay the loan.

Applicant:

Name:		
SSN:	Birth Date:	Work Phone:
Homes Address:		
City:	State:	ZIP Code:
Please check one of the following boxes: <input type="checkbox"/> U.S Citizen <input type="checkbox"/> U.S. Legal Resident		

I herby give the Redevelopment Agency of Salt Lake City permission to obtain a credit report using the above information. I herby certify the information provided above is truthful.

Applicant Signature

Date

Co-Applicant:

Name:		
SSN:	Birth Date:	Work Phone:
Homes Address:		
City:	State:	ZIP Code:
Please check one of the following boxes: <input type="checkbox"/> U.S Citizen <input type="checkbox"/> U.S. Legal Resident		

I herby give the Redevelopment Agency of Salt Lake City permission to obtain a credit report using the above information. I herby certify the information provided above is truthful.

Co-Applicant Signature

Date



**REDEVELOPMENT AGENCY
OF SALT LAKE CITY**

LIST OF BUSINESS OBLIGATIONS

As of _____

Creditor	Original Date	Original Amount	Present Balance	Interest Rate	Monthly Payment	Maturity Date	Collateral	Status (C or D)

Signature: _____

Title: _____

Signature: _____

Title: _____



REDEVELOPMENT AGENCY
OF SALT LAKE CITY

REPRESENTATIONS AND AGREEMENTS OF APPLICANT

Applicant further represents and agrees as follows:

- The proceeds from the loan, when made by the Agency, will only be used by Applicant for the work and materials to complete the work to meet code standards.
- In the event the loan is granted and Applicant thereafter decides to sell, lease, or rent the real property described in this application, Applicant will not discriminate on the basis of race, color, creed, sex, handicap, or national origin in the sale, lease, rental, use, or occupancy of the property.
- If either Applicant or the Agency determines that the loan proceeds will not or cannot be used for the purposes described herein, Applicant will immediately repay the loan, and all accrued interest thereon, in full. Applicant acknowledges that Applicant shall have no further interest, right, or claim to such repaid loan proceeds or against the Agency.
- The Agency shall be entitled to confirm or verify any of the information contained in this Application from any source named herein or other person or entity having knowledge of the same. Agency reserves the right to request additional information, if necessary, to process this request.
- The Application shall be subject to the Program Criteria and Procedures. The Loan Agreement, and not this Application, signed by both the Agency and Applicant shall state the terms and conditions of the agreement between the Agency and the Applicant.
- This Application, and any loan from the Agency to Applicant, shall be subject to any loan criteria and policies in effect regarding the Building Renovation Loan Program, Neighborhood Business Loan Program, or Construction Loan Program, as applicable.
- The Agency has made no representation or warranty with respect to the compliance of the Project with applicable zoning and use regulations or the ability of Applicant to obtain any necessary governmental approvals and permits. The Agency's approval of this Application will not constitute the agreement of the Agency to assist Applicant in obtaining any of the foregoing.
- Applicant certifies that all information in this Application, and all information furnished in support of this Application, is true and correct and is given for the sole purpose of obtaining a loan from the Agency. Applicant gives permission for any authorized employee of the Agency to verify any statement made by Applicant.
- The undersigned hereby authorizes the Agency to make whatever inquiries, including obtaining Credit Bureau reports, about the Applicant that the Agency deems necessary and appropriate for the purpose of evaluating a potential transaction involving the Redevelopment Agency of Salt Lake City and the Applicant.

Signature of Applicant: _____

Date: _____

Signature of Co-Applicant, if applicable: _____

Date: _____

Penalty or False or Misleading Statement's Section 76-6-517, Utah Code Annotated 1953, as amended, provides: (1) Any person who knowingly makes a materially false or misleading written statement to obtain property or credit for himself or another, is guilty of making a false credit report. (2) Making a false credit report is a class "a" misdemeanor...and may be punished by a fine of \$1,000 or imprisonment for a term not exceeding one year upon conviction.