



## CITY OF WAUSAU COMMERCIAL REHABILITATION PROGRAM POLICY

**Purpose:** The Wausau Commercial Rehabilitation Program is a loan program designed to stimulate rehabilitation and redevelopment of commercial real estate within the City of Wausau.

**Type of Funding:** The program provides low interest loans to be administered by and subject to approval from the Community Development Department. Loans shall be offered as funding is available. Funds shall be maintained and monitored by the Finance Department and projects reviewed by the city's Economic Development Committee or Finance Committee depending on timing to move projects along in a timely manner. Rehabilitation projects shall be completed in accordance with the Wausau Design Guidelines with advisory approval for design by the Wausau Historic Landmarks Committee if the building has historic significance (which will be determined by the Historic Landmarks Committee Chair) and comply with applicable city codes and ordinances.

**Financing Terms:** Financing assistance shall be made as loans with a 15 year amortization schedule, at 1.5% interest rate, payments deferred for 1 year, repayable the following 6 years, with a balloon payment (of all accrued interest and remaining principal) to be paid at the end of year seven. A promissory note shall be executed by and between the City and the borrower and final estimated value of the rehabilitated building shall support all existing debt. A mortgage, typically in a subordinated position behind a commercial loan, shall secure the city's interest in the property. Loan terms may be negotiated under special circumstances and approval of the CDD Director and/or CDD Manager.

**Eligible Expenditures:** Funds are to be used for physical improvements including but not limited to exterior facade and necessary structural, electrical, plumbing and other building system components. Fees and other project related expenses, such as architectural/engineering costs, title insurance, credit report, attorney and recording fees are considered project eligible costs and will be added on to the loan amount.

**Program Boundaries:** Eligible properties include any commercial property located within the City of Wausau's corporate boundaries.

**Application Process:** Applications are reviewed on a first-come, first-served basis. An application fee of \$50.00 will be received from the applicant before staff can process the application.