

Other programs to help small businesses in the commercial corridors:

The City, alone or with its partners, provides several programs that encourage business growth, rehabilitation and redevelopment:

- Corridor property owners are eligible for the **Urban Revitalization Tax Abatement** program, which provides abatements on the increased in City taxes resulting from property improvements. **CoRL loan recipients are not eligible for this program.** Consult your tax advisor to determine if the CoRL Program or the Urban Revitalization Program would provide you the greatest benefits. If you prefer to seek after-construction tax benefits instead of a forgivable loan, contact Development Services for more information.
- Other programs may be available for small businesses through the **John Pappajohn Entrepreneurial Center** at NIACC. Contact the Center for more information (contact information at right).
- The State of Iowa sponsors programs through the **Iowa Economic Development Authority**. Funding programs are subject to legislation and rule making, and change frequently. Contact the IEDA or visit their website for more information (see contact information at right).

Where can I get help or learn more about programs and incentives?

Development Services Department
City of Mason City
(641) 421-3626
www.MasonCity.net

The John Pappajohn Entrepreneurial Center - Small Business Development Center

North Iowa Area Community College
(641) 422-4111
www.niacc.edu/pappajohn

Iowa Economic Development Authority
(515) 725-3000
www.iowaeconomicdevelopment.com

This brochure provides general program guidelines. A complete description of program rules is available from the Development Services Department.



City of Mason City

Development Services Department
10 1st Street NW, Third Floor
Mason City IA 50401

Phone: 641-421-3626
E-mail: DevelopmentReview@MasonCity.net

City of Mason City

Corridor Revitalization Loan Program (CoRL)

**Helping to bring older
commercial areas
back to life**



Development Services Department
(641) 421-3626
DevelopmentReview@MasonCity.net

MASON CITY CORRIDOR REVITALIZATION LOAN PROGRAM (CoRL)

The Corridor Revitalization Loan Program (CoRL) assists business property owners in the older commercial areas of Mason City to rehabilitate buildings, update facades, and bring new vitality to the corridors. Eligible properties are zoned Z4, Multi-use District, and are mostly located along North Federal Avenue, the older commercial area of South Federal Avenue, and Z4-zoned properties along the one-way pair of IA Highway 122, between South Monroe and South Pennsylvania avenues (see map at right). If you are unsure if your property is eligible, contact the Development Services Department.

APPLICATION: Applications are accepted on a rolling basis. Application materials are available from the Development Services Department or www.masoncity.net. The application must be approved **before** commencing construction.

PROPERTY ELIGIBILITY: Owners of commercial or mixed-use commercial/residential properties zoned Z4 along the designated commercial corridors (see map). Tax-exempt and single family dwellings are not eligible. **Note:** Meeting eligibility requirements is not a guarantee of approval.

LOAN AMOUNT: Up to \$30,000 per building, matched 100%. The match may consist of owner cash, bank loan, grants or other financing sources. Proof of match must be provided.

LOAN FORGIVENESS: The loan is forgiven at a rate of 1/84th of the principal per month and is forgiven after 84 months (seven years). The owner must maintain the improvements during the entire loan forgiveness period. Ownership may be transferred during the forgiveness period, provided that the new owner signs a Forgivable Loan Agreement and assumes a second mortgage for the loan balance.

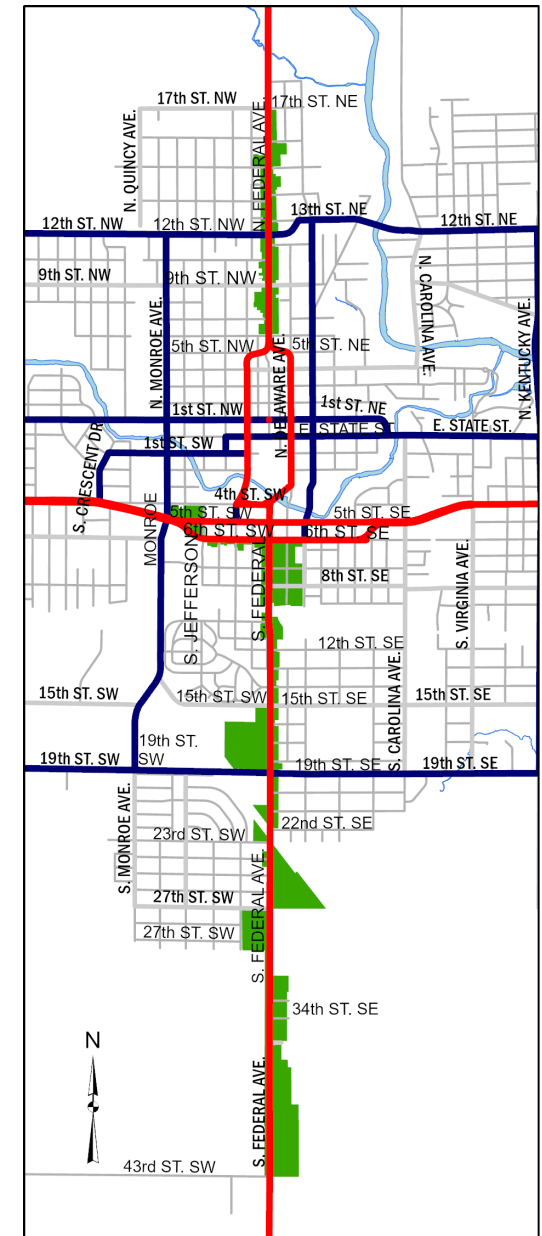
DEFAULT: Failure to maintain the improvements during the loan forgiveness period results in repayment of the entire unforgiven loan balance, plus interest accrued at a rate of 4 percent.

USE OF FUNDS: Projects must meet one or both of the program goals: 1) raise assessed property value, or 2) improve the aesthetic impact on the corridor. Historic elements shall be maintained.

OTHER FINANCING: Applicants are required to seek private sources of matching funds. The City will accept a second position if the applicant is also entering into a loan from a financial institution.

PROCESS: Applications will be reviewed by City staff for completeness; incomplete applications will be rejected. All applications will be scored by the Grant and Forgivable Loan Review Committee. Applications must meet a minimum score to be eligible. After scoring, eligible applications are sent to the City Council for final approval. If approved, the applicant must enter into a Forgivable Loan Agreement with the City. Funds are disbursed when improvements are complete, paid for, and accepted by the City. The applicant must accept a mortgage for the value of the loan and sign a promissory note. The 7-year forgiveness period begins on the date the loan is disbursed. Request a copy of the *Application Instructions and Program Requirements* for detailed information.

CONSTRUCTION REQUIREMENTS: The City retains the right to inspect the improvements upon completion to ensure that they are completed in accordance with the CoRL Loan Agreement. In addition, the City may inspect any time during the loan forgiveness period, after providing at least 48 hours notice, to insure that the improvements are being maintained.



 **Eligible Areas**

See *Property Eligibility* criteria, left. To positively determine if a property is eligible, contact the Development Services Department.