

CITY OF CAMBRIDGE

Commercial Building Enhancement Interest Subsidy Grant Program

PURPOSE:

The purpose of the Commercial Building Enhancement Interest Subsidy Grant Program is to support local businesses by providing interest subsidies on loan payments that will encourage vibrancy in the Cambridge Downtown business district by subsidizing the interest of traditional and SBA loans for approved businesses and building owners.

This program will subsidize up to 5% of the interest rate on up to the first \$150,000 for the first 10 years of an approved loan with a participating financial institution. While the uses of the loan are not limited, so long as it is used for business or commercial building improvements in the approved area, uses that enhance retail, food, or beverage service establishments or improve safety or the exterior of a building will receive higher grading in determining award.

PROGRAM GUIDELINES:

1. Grants are available to non-governmental owners of commercial buildings located within the City limits of Cambridge, Minnesota B1 Downtown Business District and B1A Downtown Fringe Business District (see provided map).
2. Grant money is available to subsidize up to 5% of the interest rate on up to the first \$150,000 for the first 10 years of an approved loan with a participating financial institution.
3. The main floor of the building must be primarily used for commercial business.
4. Primary consideration will be given to projects that enhance retail, food, or beverage service establishments.
5. Secondary consideration will be given to projects that improve building safety or the appearance of the exterior of the building.
6. All other applications will be considered on a case-by-case basis. Although there is no limitations on use so long as they meet the requirements of the program, priority may be determined by the use the loan.
7. Application must be made by the business owner, or in the case of work to be done to the physical building itself, the building owner or leaseholder with written approval from the owner for improvements of the building.

8. One grant will be awarded per business. The City reserves the right to determine what constitutes the “business” in situations involving multiple owners, PIDs, etc...
9. Loans closed prior to application approval are not eligible for reimbursement through this program.
10. Awards will be contingent on the securing of financing at an approved financial institution within the guidelines of the program, and City Council approval.
11. The City will be allocating \$450,000 for this program. Applications will be accepted up until the time that this total amount has been awarded or until the program has been decommissioned by City Council.
12. The grant provided by this program will cover up to 5% of interest on up to the first \$150,000 of a loan as discussed herein, over a maximum term of 10 years.
13. All approved applicants agree that their participation may be advertised by the City of Cambridge, to include but not limited to: Business name/address, photos, and description of project.
14. Grant payments will be reimbursed to the grant participant monthly by the City of Cambridge upon the City receiving notice of the monthly loan payment being made at the participating financial institution.
15. In no case will the City co-sign or guarantee any loan nor will it carry any liability in the event that the applicant defaults.
16. The applicant is responsible for any tax implications or responsibilities tied to this program.

APPLICATION REVIEW PROCESS:

The grant application review process may involve examination of application including plans and specifications of the project by the City, who will make the final decision on awards on a cyclical basis. A proposed loan term sheet will be required from the approved financial institution before the application is taken to City Council for review. Additional information may be requested before a determination of award is made.

An application packet must be filled out providing detailed information on the project including: Completed application, proposed loan term sheet from a participating financial institution, contractor/vendor information, to include copies of bids/quotes and contracts, and any other information that may be required by the City. Please note, if the work is to be performed by the building owner, only the materials for the project are grant-eligible.

APPLICATION WINDOWS:

Typically, the applications will be reviewed on a quarterly basis, following the dates below:

Applications Due	Application Decision
July 1, 2024	July 15, 2024
October 7, 2024	October 21, 2024
January 6, 2025	January 20, 2025
April 7, 2025	April 21, 2025
July 7, 2025	July 21, 2025
October 6, 2025	October 20, 2025

CONFLICT OF INTEREST:

City of Cambridge employees or volunteers will recuse themselves from the consideration process with respect to any application for a grant with which they have a conflict of interest or which might reasonably present the appearance of conflict of interest.

PAYMENT:

Grant payments will be reimbursed to the loan holder monthly upon receipt of payment from the financial institution.

MAIL OR DELIVER COMPLETED APPLICATION PACKETS TO:

Alex Smith
 Deputy City Administrator
 Cambridge City Hall
 300 3rd Ave NE
 Cambridge, MN 55008
asmith@ci.cambridge.mn.us
 763-552-3254

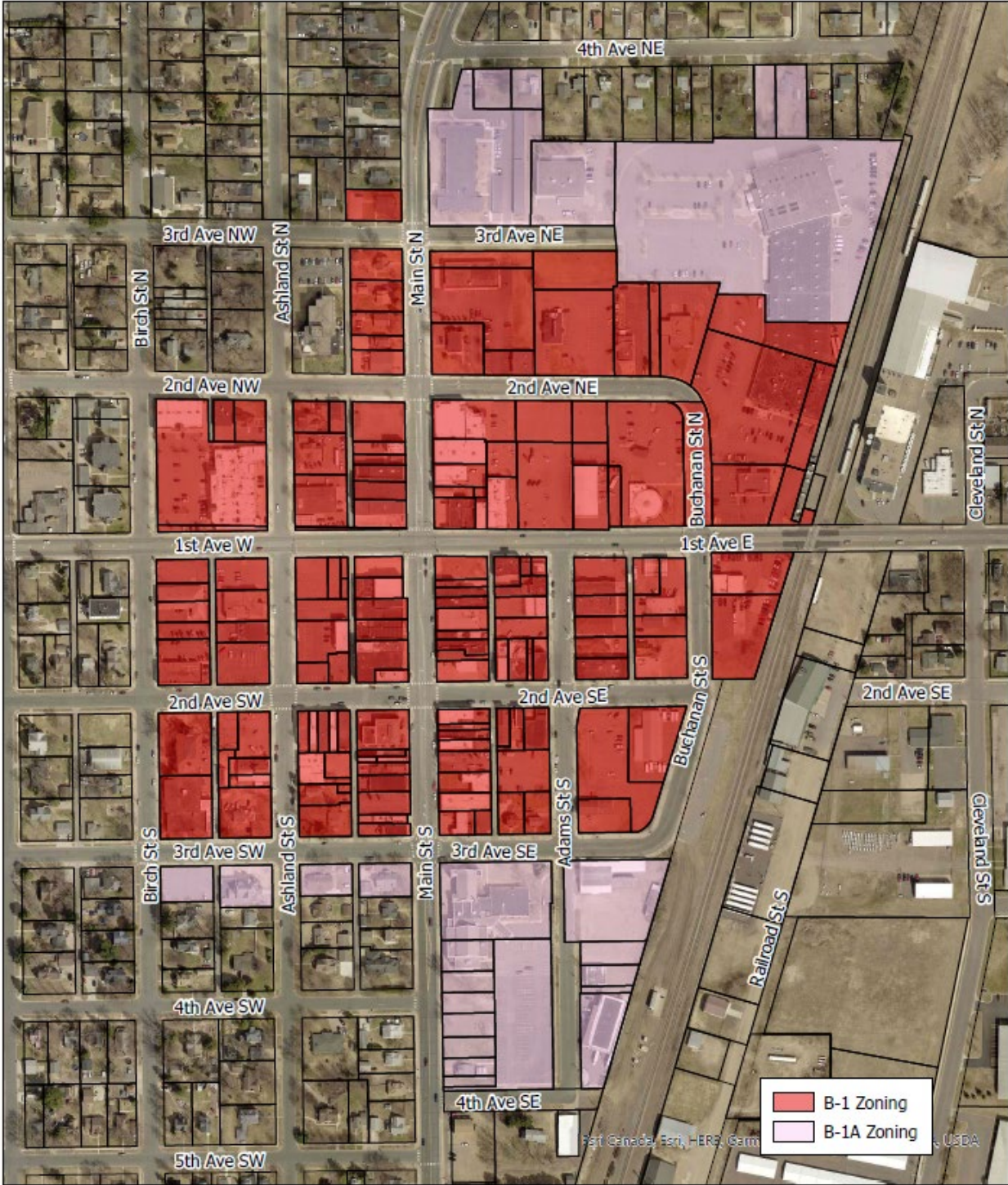
PARTICIPATING FINANCIAL INSTITUTES:


First Bank and Trust
 234 1st Ave E, Cambridge, MN 55008
 763-689-1212

Security Bank and Trust
 127 Main St S, Cambridge, MN 55008
 763-689-2500

Frandsen Bank
 121 Main St S, Braham, MN 55006
 320-396-3377

Minnco Credit Union
 235 1st Ave W, Cambridge, MN 55008
 763-689-1071




CAMBRIDGE
 Minnesota's Opportunity Community®

B-1 & B-1A Zoning in the City of Cambridge
 Cambridge, MN
 Isanti County

0 0.03 0.05 0.1 Miles

This map is a public utility and is not intended to be used for any other purpose. The map is a compilation of records, information, and data gathered from various sources and is for informational purposes only. The City of Cambridge does not warrant that the data used to prepare this map are error free, nor the City of Cambridge is responsible for any errors or omissions. The City of Cambridge does not take any responsibility for any damages, either actual or consequential, that may result from the use of this map. The City of Cambridge does not take any responsibility for any damages, either actual or consequential, that may result from the use of this map.