



Warren County Local Development Corporation

Residential Pre-Development Loan Program for INSIDE the Blue Line

The Warren County Local Development Corporation (“WCLDC”) has established a loan fund of \$_____ for the purpose of providing project financing assistance to qualified builders and projects for capital costs and related soft costs associated with new construction of single or multi-family homes, or new construction of rental properties in buildings meeting the unit requirements as specified below.

REQUIREMENTS and PRIORITY PROJECTS:

The WCLDC prioritizes projects that will have maximum impact in addressing the housing shortage as reported in the 2023 Warren County Housing Needs Study & Market Demand Analysis.

Required:

- Funds can only be used for the development of residential units for year-round residence
- Integrates third-party compliance (HCR, Adirondack Housing Trust, Other) to exclude short-term rentals.

Priority Given to Developments **that are:**

- **Directed at** year-round residents working in Warren County
- **Directed at** residents earning 40-120% AMI (approximate annual income of \$58-87k family of two; \$62-93k family of three)
- **Demonstrating conformance with locally adopted community plans (comprehensive, district, Brownfield Opportunity Area, etc.) and zoning laws**
- Partnerships with Regional Employers

PROGRAM TERMS:

Eligible Applicants:

- Builders/Developers partnered with a third-party entity to manage compliance to exclude short-term rentals (NYS Housing and Community Renewal programs, Adirondack Housing Trust, other)
- Builders/Developers (nonprofit or for profit) with a verifiable record of constructing single- or multi-family housing.

Eligible Projects:

- New construction of single-family homes, duplexes or townhouses which are intended to be owner-occupied by year-round residents
- New construction of rental properties which are not intended for short-term rentals.

- Minimum of 2 units
- Project location must be in Warren County, NY and inside the Adirondack Park (aka, the Blue Line)

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Eligible Uses of Funds:

- Permitting costs and fees, survey costs, engineering and legal fees, and other pre-development expenses as agreed

Financing Requirements:

To be eligible for funding under this program, the applicant must provide evidence of adequate funding to complete the project. Applications must be accompanied by a preliminary development budget demonstrating sources and uses of funds.

LOAN TERMS:

The Pre- Development Phase:

- **Shall commence** begins with the disbursement of funds and ends upon project approval
- **Shall** not exceed 24 months; extensions may be granted at the discretion of the WCLDC Board of Directors.

During the Pre- Development Phase, Builder/Developer agrees to provide quarterly progress reporting

Loan Amount \$25,000.00 per eligible project

Repayment Terms During Pre-Development Phase

Interest Rate: **1% per annum** during the Pre-Development Phase

Payments: Interest only payments are due monthly during the Pre-Development Phase

Repayment Terms Upon Project Approval

Repayment of loan **balance** is due upon receipt of construction financing

Repayment Terms Upon Project Denial (or **commencing** at 24-month mark with **"no go"** decision)

Interest Rate: **3%** per annum

Payments: **Principal and interest payments due monthly; amortized over 7 years,**

Security: Personal Guarantee

Fees: \$50.00 application fee

Deliverables for Board Review:

- Completed application and fee
- Documents demonstrating prior experience with like construction projects
- Lending Institution commitment letter or other satisfactory **funding** evidence
- Project budget, including income, expenses, sources and uses
- Personal Guarantee
- Signed affidavit confirming units being constructed are not to be used for short-term rentals.

Applications are reviewed using a point system (TBD)