



# Residential Revolving Loan Fund Application

Please read the attached Policy Guidelines, Administrative Procedures and provide the requested information.

1. Address of Property:

\_\_\_\_\_

2. Applicant's name & mailing address:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone: (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

E-mail \_\_\_\_\_

3. Applying for:  Life Safety or  Historic Preservation

Requested Loan Amount:

\$ \_\_\_\_\_

Estimated Total Cost for Entire Project:

\$ \_\_\_\_\_

For Office Use Only:	
<input type="checkbox"/>	Owner Occupied
<input type="checkbox"/>	Non-owner Occupied
Verified through the Lawrence County Office of Equalization	
Date: ___/___/___	Initials: _____
Assessed Valuation \$ _____	

4. Complete a City of Deadwood Application for Project Approval OR Certificate of Appropriateness and attach it to this document if exterior work is to be performed.

5. Certification

I certify all information contained in this application and all information furnished in support of this application is given for the purpose of obtaining financial assistance in the form of a grant or a loan as true and complete to the best of my knowledge and belief. I acknowledge I have read the policy guidelines for the loan or grant included with and for this application and agree to all of the terms and conditions contained in the policy guidelines. I agree any contractors which I hire for this project will hold contractors licenses with the City of Deadwood and will require they also agree to and abide by the terms and conditions of the policy guidelines.

I acknowledge the Deadwood Historic Preservation Commission is merely granting or loaning funds in connection with the work or project and neither the Historic Preservation Commission nor the City of Deadwood is or will be responsible for satisfactory performance of the work or payment for the same beyond the grant or loan approval by the Historic Preservation Commission. I acknowledge I am solely responsible for selecting any contractors hired in connection with the project and in requiring satisfactory performance by such contractor. I agree to indemnify and hold harmless the Deadwood Historic Preservation Commission and the City of Deadwood against losses, costs, damages, expenses and liabilities of any nature directly or indirectly resulting from or arising out of or relating to the Deadwood Historic Preservation Commission's acceptance, consideration, approval, or disapproval of this application and the issuance or non-issuance or a grant or loan.

Applicant's signature: \_\_\_\_\_

Date submitted: \_\_\_/\_\_\_/\_\_\_

Owner's signature: \_\_\_\_\_

Date submitted: \_\_\_/\_\_\_/\_\_\_

Please return the completed application to:

NeighborWorks – Dakota Home Services  
108 Sherman Street  
Deadwood, SD 57732 605-578-1401



# Residential Revolving Loan Fund Policy Guidelines

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## 1. Statement of Purpose:

The restoration and protection of Deadwood's historic buildings and structures are a primary part of the City's goal to preserve and maintain Deadwood's historic integrity. The expense of such restoration and protection projects may discourage property owners from having the work completed or may result in lower quality of craftsmanship. The purpose of this program is to assist and encourage property owners to use quality materials and craftsmanship by repairing first, where possible, and replacing, only if necessary.

## 2. Objective:

The City of Deadwood is a National Historic Landmark and is listed on the National and South Dakota State Registers of Historic Places. Maintaining these designations is critical to the economic success of the City and quality of life of its residents. The objective of the program is to stimulate the quality restoration and protection of buildings and structures that contribute to the historic integrity of the City of Deadwood.

## 3. Eligibility:

To be eligible for the Revolving Loan Fund (RLF) Residential Program, the applicant and project must meet the following criteria:

- a. The project must exist as part of a residential property and within the Deadwood city limits;
- b. Mobile homes and manufactured structures are excluded from this program.

A project must also meet one of the following:

- a. The project must affect a property listed on the City of Deadwood's 1993 Historic Sites Inventory as an historic property in the Deadwood National Historic Landmark District. Properties not listed on the inventory must be eligible for the National Register of Historic Places as defined in the National Park Service's [National Register Bulletin 15: How to Apply the National Register Criteria for Evaluation](#).
- b. The project must affect individual life safety and structural deficiencies as determined by the City of Deadwood's Building Inspector and applicable life safety codes. Determination of individual life safety issues and structural deficiencies is based upon the codes adopted by the City of Deadwood under Chapter 15.01.010 and by additional verification obtained through other means available to the City.

The City of Deadwood's Historic Preservation Officer and Building Inspector determine a project's eligibility. All eligible applications are subject to the review of the Deadwood Historic Preservation Commission.

## 4. Definition and Examples:

**Historic Preservation Project Definition** – Projects which are intended to preserve or protect historic properties or properties eligible for historic status.

Examples of Historic Preservation Projects	
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| <ul style="list-style-type: none"><li>• Repair building foundation</li><li>• Repair / replace retaining walls</li><li>• Repair / replace building siding</li></ul> | <ul style="list-style-type: none"><li>• Repair damaged roofing</li><li>• Remove trees that are hazards to historic structures</li><li>• Repair / replace doors and windows</li><li>• Grading protect structures from water damage</li></ul> |
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**Life Safety Project Definition** – Projects which are intended to protect people based on a facility’s construction, protection, and occupancy features that minimize the effects of health, fire and related hazards.

Examples of Life Safety Projects	
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|--|---|
| <ul style="list-style-type: none"><li>• Upgrade substandard electrical systems</li><li>• Repair fencing</li><li>• Install access ramps, and doors</li><li>• Installation of building insulation / weather proofing</li></ul> | <ul style="list-style-type: none"><li>• Replace substandard heating system</li><li>• Asbestos removal</li><li>• Mold removal</li><li>• Repair / replace damaged sidewalks / steps / handrails</li></ul> |
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**5. Priority Schedule:**

Due to the limited availability of funds and the extensive need for quality craftsmanship a priority schedule will be referred to in processing applications for revolving loan funds. These priorities may be amended to reflect the availability of funding and completion of projects currently considered “high priority.”

- a. **Life Safety** - First priority projects are those required by the City of Deadwood’s Building Inspector and necessary to comply with the applicable Life Safety Codes.
- b. **Historic Preservation (Listed Properties)** - Second priority projects are those affecting the preservation and protection of properties listed on the city’s 1993 Historic Sites Inventory as historic, or contributing, in the Deadwood National Historic Landmark District.
- c. **Historic Preservation (Value Adding Properties)** - Third priority projects are those affecting structures which in the opinions of the Deadwood Historic Preservation Commission, add to the historical integrity of the City of Deadwood as defined in Chapter 24:52:00:01 (4) of the administrative rules of the South Dakota State Office of History.

**6. Program Requirements:**

- a. All properties must meet the Revolving Loan Fun’s eligibility requirements.
- b. All persons receiving financing must conform to applicable federal and local regulations governing the use of specific loan funds.
- c. All loan applicants must present evidence of their ability to repay the loan and provide adequate collateral.
- d. Loan approval is contingent upon approval of the project by the Deadwood Historic Preservation Commission.
- e. All projects will be performed pursuant to the Secretary of the Interior’s Standards for the Treatment of Historic Properties and the Secretary of the Interior’s Guidelines for the Rehabilitation of Historic Buildings.
- f. The property must meet Minimum Property Standards adopted by the City of Deadwood; therefore, the City Building Inspector will inspect the property every two years for compliance. If the property is not within compliance, the City Building Inspector will notify the homeowner of the deficiency and will provide a reasonable time frame to correct the deficiency. If the deficiency has not been corrected after three notifications the loan will be considered to be in default and the Deadwood Historic Preservation Commission will take legal action.
- g. If the owner/applicant desires to sell the property before the end of the loan term, the remaining unforgiven portion of the loan will be due in full.

- h. The owner/applicant must have addressed any additional preservation issues beyond the original work, meet Deadwood Minimum Maintenance Standards, and satisfy all loan conditions before loan can be transferred or forgiven.

**7. Loan Conditions:**

Life Safety

LOAN AMOUNT	INTEREST RATE	TERM	PAYMENT AMOUNT	SECURITY
Up to \$25,000 maximum	0% <sup>2</sup>	5 years	Monthly payments due. <sup>1</sup> Possible balloon payment due at end of term	Loan Agreement

Historic Preservation

LOAN AMOUNT	INTEREST RATE	TERM	PAYMENT AMOUNT	SECURITY
Varies by Project	Market Rate <sup>2,3</sup>	7 years	Monthly payments due. <sup>1</sup> Possible balloon payment due at end of term	Loan Agreement

<sup>1</sup>All Deadwood Historic Preservation loan programs will include the following fees: Credit Report, Recording Fee, 1% Loan Origination Fee, Settlement Fee and a Title Report Fee. These fees are collected from applicant/owner at loan closing. All loan fees will be disclosed on a Good Faith Estimate by NeighborWorks in accordance with the Real Estate Settlement and Procedures Act.

<sup>2</sup>Failure to complete work as approved in a timely fashion and/or failure to maintain property up to City of Deadwood’s Minimum Maintenance Standards may cause loan to be payable in full at that time.

<sup>3</sup>Market Rate will be periodically determined by the Historic Preservation Commission from recommendations of the Loan Committee. The Deadwood Historic Preservation Commission reserves the right to modify, amend, or forgive the loan payment or to change or modify this program for any reason.

Property Owners must provide proof of ability to repay loan. Various documents will be requested by NeighborWorks to complete a loan application.

**8. Forms and Technical Assistance:**

- a. **Loans** - Loan application forms and loan technical assistance are available at the NeighborWorks Office, 795 Upper Main Street in Deadwood. Telephone: (605) 578-1401.
- b. **Project Approval or Certificate of Appropriateness** – The applications are available at the Historic Preservation Office located at Deadwood City Hall, 108 Sherman Street in Deadwood. (605) 578-2082. This form is also available online at: <http://www.cityofdeadwood.com> , under **Permits, Licenses & Forms** tab, then under Historic Preservation heading.

This form must be completed and given to the Historic Preservation Officer who will present it to the Historic Preservation Commission for consideration. *[No work can start until Historic Preservation Commission approval and the owner/applicant has an approved City of Deadwood Building Permit.]*

- c. **City of Deadwood Building Permit** – A City of Deadwood (Residential or Commercial) Building Permit must be acquired from the City of Deadwood Building Inspector located at 67 Dunlop Avenue, in Deadwood. Telephone: (605) 578-3082. This permit application form is also available online at: <http://www.cityofdeadwood.com> , under **Permits, Licenses & Forms** tab, then under Building Inspector heading.



# Residential Revolving Loan Fund Administrative Procedures

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## 1. Application

- The Applicant/Property Owner/Owner's Representative (Owner) obtains from Historic Preservation Office, NeighborWorks or City of Deadwood Website:
  - Revolving Loan Fund Residential Program Application form
  - An Application for Project Approval or Certificate of Appropriateness form may be required
- The Owner submits completed copies of the above forms with signatures to Historic Preservation (HP) Office.
- A discussion between the Owner and the Historic Preservation Officer is recommended to clarify requirements and expectations of this program. This can greatly streamline the process.

## 2. Determination of Eligibility

- The Historic Preservation Officer and/or City Building Inspector and/or NeighborWorks Loan Officer conducts an on-site inspection of property to determine eligibility.
- Photographs are taken for documentation.
- A needs assessment will be completed by appropriate City staff.

## 3. Loan Application

- The Owner will schedule an appointment with NeighborWorks to apply for the loan.
- The Owner will provide NeighborWorks with the required supporting documents to underwrite the loan application (Borrowers Ability To Repay)
- The Owner will provide NeighborWorks with cost estimates to complete the entire project in order to determine a requested loan amount
- NeighborWorks will present the loan request to the Historic Preservation Loan Committee for review and recommendation.
- NeighborWorks will provide the applicant with documentation stating the Owners financial responsibility and a Letter of Understanding showing the Owners share of the project costs. The Owner must sign this document.
- Please note the Owner will be responsible for any costs in excess of the approved loan amount. It is also the Owners responsibility to pay for all associated loan fees.
- NeighborWorks will present the loan request to the Historic Preservation Commission with the Loan Committees recommendation to approve or deny the loan request.
- If the loan request is approved, then NeighborWorks will contact the Owner to sign the required loan documents (i.e. Note, Mortgage etc.)
- The legal documents will be recorded

#### **4. Historic Preservation Commission Project Approval**

- Based on HP Staff Report, the Historic Preservation Commission (HPC) approves or denies the Application for Project Approval or Certificate of Appropriateness if required.
- NeighborWorks issues a “Notice to Proceed” to the Owner and/or Contractor and copies appropriate City staff.

#### **5. Project Beginning and Ending**

- The Owner is encouraged to enter into a contract with a City of Deadwood licensed Contractor for the project.
- The Owner or Contractor obtains a City of Deadwood Building Permit. A “Notice to Proceed” from either the Historic Preservation Officer or NeighborWorks must be obtained before applying for a City of Deadwood Building Permit.
- Where Construction Loan Draws are involved:
  - Construction Loan Draws are made subject to payment withholding to ensure project completion is accomplished.
  - All final or Construction Loan Draws are for materials and/or contractor’s costs only, supported by verifiable invoices. Owner’s time is not reimbursable. No prepayments are permitted.
- The Historic Preservation Officer and/or Building Inspector inspect the work in progress.
- The Historic Preservation Officer and Building Inspector conduct a final inspection after the completion of the entire project.

#### **6. Expenditure Disbursement**

- After the Building Inspector has reviewed the work and/or materials and has consulted with the Historic Preservation Officer, the Building Inspector authorizes NeighborWorks to approve invoiced amount (less any withholding).
- NeighborWorks initially approves invoices.
- At a HPC meeting, the HPC approves the disbursement which is added to the City of Deadwood Commission’s bill list for City (final) approval.
- Upon City approval, the City Finance Office issues checks for the disbursement to the Historic Preservation Office.
- Owner or Contractor pick-up disbursement check(s) from the Historic Preservation office and, if Contractor is involved, the Contractor must sign lien waivers before final payment is made.

#### **7. Continued Administration of Loans**

- NeighborWorks reviews all loan accounts once a month.
- Building Inspector notifies property owner if property does not meet Minimum Maintenance Standards, and if these issues are not resolved, the Building Inspector advises the HP Loan Committee. The HP Loan Committee provides recommendation to HPC either to work with owner, or make loan immediately payable.
- The Construction Loan will be rolled into a permanent loan requiring payments.

#### **8. Satisfaction of Loan**

- After terms and conditions of the loan are completed, NeighborWorks prepares a satisfaction of mortgage for the loan funds.
- HPC signs the satisfaction of mortgage.
- NeighborWorks collects from the Owner the recording fees for the satisfaction of mortgage documents.
- NeighborWorks delivers the satisfaction of mortgage to the Register of Deeds.
- NeighborWorks closes the Owner's loan account.
- NeighborWorks forwards the loan documents to the HP Office.
- The HP Office retains the loan documents for at least seven (7) years.