



# Louisville Metro FINANCIAL INCENTIVES AND LOAN PROGRAMS

As you start and grow your business, the Louisville Forward team can assist you with applicable public incentives and navigating the process of opening your doors. Louisville Metro has local incentives, including low interest loans, which assist with start-up capital, working capital and capital improvements to commercial and public properties, as well as tax abatement programs, to save you money as you grow your business.

## MANUFACTURING TAX MORATORIUM

This program allows companies tax relief for locating or expanding a manufacturing facility in Louisville Metro. The Manufacturing Tax Moratorium allows property taxes to be abated for five (5) years for:

- A new manufacturing company locating in, or moving into, Louisville Metro; or
- The increased value of a building/equipment for an existing manufacturing company that is expanding its operations for a new product line in Louisville Metro.

[www.louisvilleky.gov/government/louisville-forward/redevelopment-incentives](http://www.louisvilleky.gov/government/louisville-forward/redevelopment-incentives)

## PROPERTY ASSESSMENT MORATORIUM

The Property Assessment/Reassessment Moratorium allows the waiver of the local incremental tax value for added improvements from the assessment of a structure for five (5) years. The following properties are eligible:

- Structures older than 25 years are eligible if improvements are at least 25% of the property's value; or

- Structures in a qualifying target area (a census tract where at least 70% of the residents are below 80% of the median income for Jefferson County) are eligible if improvements are at least 10% of the property's value; or
- The qualifying property will, at the conclusion of the improvement plan, be LEED-certified.

[www.louisvilleky.gov/government/construction-review/tax-moratorium](http://www.louisvilleky.gov/government/construction-review/tax-moratorium)

## MICROBUSINESS DEVELOPMENT PROGRAM

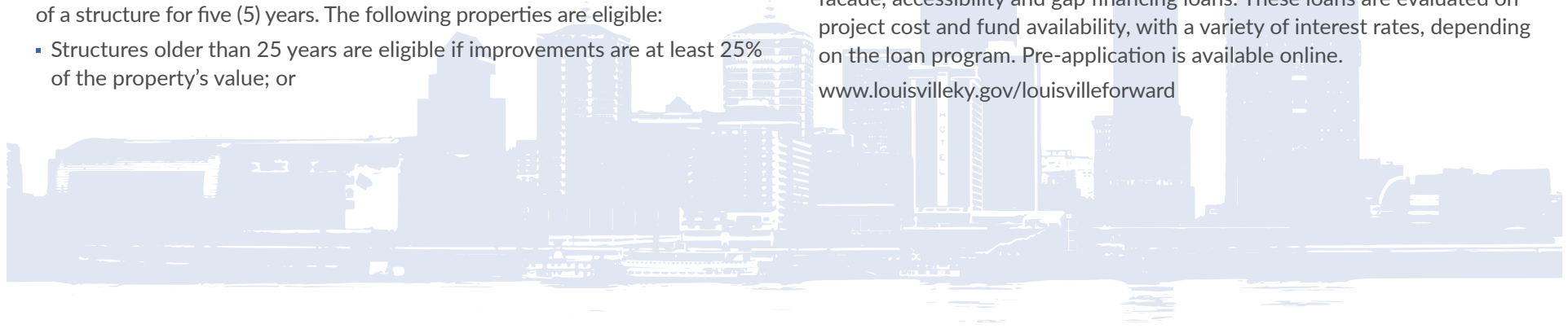
This loan program helps low and moderate income business owners gain access to capital to help start or grow their business. The microbusiness program is funded through a federal Community Development Block Grant (CDBG), and business owners must meet income and funding eligibility. A microbusiness employs five (5) or fewer people, including the owner. The loan program also includes training and technical assistance.

[www.louisvilleky.gov/communityservices](http://www.louisvilleky.gov/communityservices)

## METCO

The Metropolitan Business Development Corporation (METCO) governs metro government's small business loans, and provides financial assistance through commercial loans for new and expanding businesses, including facade, accessibility and gap financing loans. These loans are evaluated on project cost and fund availability, with a variety of interest rates, depending on the loan program. Pre-application is available online.

[www.louisvilleky.gov/louisvilleforward](http://www.louisvilleky.gov/louisvilleforward)



# LIVE. WORK. CREATE. INNOVATE.

## GAP-FINANCING/BUSINESS LOANS

**Ignite Loan** – for businesses that have been open for at least one (1) year. The loans range from \$5,000 to \$15,000, with an interest rate of 4%.

**Spark Loan** – for start-up businesses or businesses that have been open for less than one (1) year. The loans range from \$500 to \$4,999, with 0% interest.

**Midi Loan** – provides start-up or expansion costs to small business owners. This loan is offered at a minimum of 5% interest rate, ranging from \$15,000-\$50,000.

**Louisville Agribusiness Loan** – low-interest tool targeted to assist businesses processing food grown by Kentucky farmers and who are located in the Portland neighborhood. Loans are offered at minimum of 3% interest rate, up to \$100,000.

**Gap Financing Loan** – provides up to 25% of project costs, or \$200,000, in gap financing, to eligible small businesses. This loan can be financed up to 10 years at a minimum rate of 5%.

**Small and Disadvantaged Gap Financing Loan** – provides up to 50% of project costs, or \$200,000, in gap financing to eligible minority or women-owned businesses. This loan can be financed up to 10 years at a minimum rate of 5%.

**Go Green Loan** – helps businesses increase energy efficiency and/or create “green” jobs. These loans can be used for energy-efficiency upgrades or businesses creating green products or services. Loans are offered at minimum of 3% interest rate.

**Facade Loan** – available to commercial property owners to revitalize neighborhood commercial corridors in Louisville. Facade loans are awarded for exterior property improvements, including window and door replacements, storefronts, masonry repair, siding, painting, carpentry, signage, and landscaping, and are offered at fixed rate of 3% over 10 years.

**Accessibility Loan** – offered to commercial property owners for the purpose of making buildings more accessible to people with physical disabilities. Loans are limited to \$15,000 for exterior or interior accessibility improvements and are loaned at a maximum of 100% of the total approved project at a fixed interest rate of 3%.

**Commercial Renovation Loan** – provides financing for the renovation of commercial properties that have been vacant for a significant amount of time and are in a state of disrepair. Without improvements to the structure it would be unsuitable for a business to utilize the property for the operation of their business, resale or to lease. The loan will be collateralized by a mortgage on the improved property but other collateral may be used in place of or in addition to the improved property as approved by the METCO Board.

**Brownfield Cleanup Loan Program (BCLP)** – allows brownfield property owners and prospective purchasers to clean brownfield properties and return them to productive use. BCLP provides low-interest financing only for the environmental cleanup portion of the total costs of a real estate redevelopment project on a brownfield site.

**Business Accelerator Loan** – offered to new and expanding small business owners in the nine neighborhoods of west Louisville, to expand available services and products. Loans are up to \$50,000 for business owners who have credit or banking barriers. No collateral required; loan is offered at 12% interest rate.

