

## Port revitalization is loan program's focus

Written by MARK JAEGER

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### Port State Bank teams with Main Street to support downtown redevelopment

Port Washington State Bank has partnered with Port Washington Main Street Inc. in offering low-cost loans to business owners interested in making improvements to their downtown properties.

According to James Schowalter, the bank's chief credit officer, the program will allow business owners to draw from a pool of \$250,000 set aside for business enhancement projects.

Loans can be for between \$5,000 and \$50,000. Interest will be at a rate of 1%, with repayment periods of as long as 15 years.

The program is patterned after similar loan offerings established earlier this year in Grafton and Cedarburg, Schowalter said.

The Grafton loan program is earmarked for improvements to the community's south business district. Although there has been some interest in the program, no loans have been made yet.

The first improvement loan has yet to be made in Cedarburg, as well.

In Port's case, loan applications will be reviewed by a streamlined committee with representation from the bank, Main Street and the city. The final approval is expected to take no more than two weeks after an application is received.

"The intention is not to make the process very complicated. The program was launched last week, and my hunch is we may have a couple of loans approved in Port before the end of the year," Schowalter said.

Once endorsed by the review committee, he said, an application will undergo the same kind of underwriting review that any other loan request would face.

"What is important to remember is that we are looking to fund projects that will represent physical improvements to a business, whether that is for renovations, new signage or facade enhancements," Schowalter said.

"The hope is to create a bit of a buzz. If the loans are so popular the initial money is used up, I am sure we will be able to come up with another \$250,000."

Loan requests to meet cash-flow needs or refinance debt will not be considered under the program.

Although loans will be considered for redevelopment of vacant or under-utilized properties, Schowalter said, the program is not intended to meet the needs of businesses in distress.

"Anyone can apply. It should appeal to business owners interested in having access to money

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at 1%," he said.

Most commercial loans are currently being offered at an interest rate of 3% to 4%, Schowalter said.

Ultimately, he said, the hope is the low-cost money will build momentum for existing businesses improve their properties.

"We are already seeing greater interest in downtown Port Washington than we have seen for some time. The projects this program will pay for should help build in that redevelopment," Schowalter said.

The new program is independent of the city's revolving loan fund, which is subject to approval from the Common Council.

Details on the Main Street loans are available by calling 268-1132, e-mailing [pwmsdirector@gmail.com](mailto:pwmsdirector@gmail.com) or logging on to [visitportwashington.com](http://visitportwashington.com).