

## **Rental Assistance Program**

### **Description of Program:**

The Rental Assistance Program allows business owners to create a new business or expand an existing business with the reduction of its monthly lease payments.

### **JDA's Maximum Contribution to Recipient:**

The maximum benefit is \$20,000 or the initial monthly rate (as shown in the lease) rent times five (5), whichever is lower, with a maximum term of five (5) years.

JDA may partner with the Recipient to assist with the rent payments to the Lessor. This program allows JDA to assist (maximum benefit) in the reduction of rent by 60% of current market rates or lease as stated in the contract. (i.e. \$1,000 per month = \$600 in assistance, \$400 recipient).

**JDA has the sole discretion to determine approval of the request based on a variety of factors including, but not limited to: geographic location, need in the community, job development and/or retention and JDA's budget.**

### **Recipient's Requirements:**

- Completed Program Application
- A copy of the signed lease will be submitted JDA prior to any assistance. Recipient must pay to Lessor all payment when due per the contract of the lease.
- Recipient must maintain current level of employees, projected number of employees, or any other terms JDA deems appropriate.
- Recipient must have Lessor at a minimum annually (or at any time JDA requests) provide JDA with a statement of good standing on behalf of Recipient.

### **Remedy by Recipient if Failure to Meet Guidelines:**

If Recipient fails to pay the Lessor, fails to maintain the current level of employees, moves or changes in a way that JDA determines significant, the obligation of JDA to continue to pay the rental assistance ceases. Recipient must provide evidence of cure to JDA to continue receiving assistance. JDA retains the right to refuse the evidence and the ability to terminate the assistance. Recipient will be provided an opportunity to meet with JDA at its next scheduled meeting to present a case for continued assistance.

### **JDA's Requirements:**

JDA will pay the rent assistance to Recipient on a quarterly basis, in arrears, prorating the first quarter. JDA will not be a lessee, co-lessee, co-renter, or guarantor of lease payments. JDA will provide written notice to Recipient explaining any deficiency.

### **JDA's Maximum Assistance:**

In no year shall the total of all rental lease buydown payments exceed 25% of JDA's annual budget (or mill levy) and/or reduce its cash flow to break even or less, unless three-fourths vote of approval by the Board of Directors.