

# Community Loans

## Community Funding

### Funding Information

Whangarei District Council supports community organisations, clubs and groups who are providing recreation facilities within the District. As part of that support, Council provides Community Loans that are designed to assist community based organisations to develop community assets for recreation purposes. These facilities will be aligned to Whangarei District Council's outcomes and priorities and benefit either the wider community or a sector of the community.

Applications for loans may be made at any time during the financial year. Generally, the first \$100,000 of any loan approved will be interest free. Applicants must generally demonstrate a minimum 50% contribution towards the project.

### Who can apply

Applicants to the Community Loans Scheme must:

- meet the eligibility criteria set out in Whangarei District Council's Grants, Concessions and Loans Policy
- have a constitutionally open membership
- meet the criteria in the "Eligibility Criteria" below.

### Funding Criteria

The fund has two sets of criteria that determine the success of any application. To be successful with an application the applicant must meet all the Eligibility Criteria. The Relevance Criteria determines the level of support Council will contribute towards an application.

#### Eligibility Criteria

	Yes	No
• Does your project occur within the Whangarei District?	<input type="checkbox"/>	<input type="checkbox"/>
• Does your project contribute to one or more of the community outcomes of the Whangarei District? <i>(see section 2 of the Application Form)</i>	<input type="checkbox"/>	<input type="checkbox"/>
• Does your project benefit the wider community or a sector of the community?	<input type="checkbox"/>	<input type="checkbox"/>

#### Relevance Criteria

- How does this project contribute to priorities laid out in other council strategic/planning documents?
- How does this contribute to other regional and national strategic documents?
- What is the identified need for this project?
- What sort of funding history/track record does the applicant have with Whangarei District Council?
- What is the applicant's history/track record in project/event management?
- What is the sustainability of the applicant's project?

### Funding Allocation

Loans will generally be available for developing community assets for recreation purposes. Examples of expenses funded include:

- Facilities – costs related to the purchase or construction of a building
- Major project restoration costs to items of significance
- Maintenance of heritage buildings of significance to the Whangarei District

The fund is generally not available for:

- Retrospective costs
- Debt Servicing
- Projects in educational institutions normally funded within the education sector.

## Conditions

The following conditions apply to all loan approvals:

- Loans will only be made to recreation providers
- Applicants must generally demonstrate a minimum 50% contribution towards the project
- Generally, the first \$100,000 will be interest free and any further portion will be interest bearing. Council retains the right to vary this policy.
- Generally, the maximum repayment period shall be 8 years.
- Frequency of repayments will be negotiated with the borrower.
- The ability to meet the loan repayments is a critical consideration in approving a loan.
- Legal expenses will be the responsibility of the applicant, but may be included in the loan.
- Loans will be formally executed and will be secured as Council deems appropriate.
- Loans are generally not available to retire or restructure current debt, but Council may consider this in exceptional circumstances, such as where the ongoing viability of an organisation is under threat.
- Loans may be subject to other conditions imposed by Council.
- Loan drawdowns may be by instalment at Council's option and Council may require copies of applicant's invoices from suppliers for supplies to which the loan relates.
- For GST registered organisations, the GST portion of costs will not be funded by the loan.
- Financial statements will be provided to Council annually during the term of the loan.
- In the case of any default on repayments, Council will work with the organisation and the parent body (if applicable) to remedy the situation as quickly as possible.
- If the financial position of an organisation deteriorates to the point that the loan repayment is not possible, Council will exercise its rights as specified in the loan agreement.
- Any arrears of repayments will be reported to the Community Funding Committee.

## How to Apply

Send your completed application form to:

<b>Post to:</b> Community Funding Whangarei District Council Private Bag 9023 Whangarei 0148	<b>Deliver to:</b> Customer Services Counter Forum North Rust Ave Whangarei	<b>Email to:</b> <a href="mailto:mailroom@wdc.govt.nz">mailroom@wdc.govt.nz</a> Attention: Community Funding
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## Decision Making Process

All applications will be referred to the appropriate committee of Council for consideration.

## Application Closing Dates

Applications for loans may be made at any time during the financial year.

# Community Loans

## Application Form

### 1. Applicant Details

Name of group/organisation \_\_\_\_\_

Postal Address \_\_\_\_\_

\_\_\_\_\_ Postcode \_\_\_\_\_

Street Address \_\_\_\_\_

Email Address \_\_\_\_\_

Website Address \_\_\_\_\_

Legal status

Trust     Incorporated Society     Other (*specify*) \_\_\_\_\_

Are you GST Registered?    No     Yes     GST number: \_\_\_\_\_

Name two people Council can contact if we need further information regarding this application  
(*One name should be the person completing this application form*)

Name \_\_\_\_\_ Position \_\_\_\_\_

Address \_\_\_\_\_

Email \_\_\_\_\_ Phone \_\_\_\_\_

Name \_\_\_\_\_ Position \_\_\_\_\_

Address \_\_\_\_\_

Email \_\_\_\_\_ Phone \_\_\_\_\_

Provide a brief overview of your group/organization:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



What are the expected start / finish dates of your project?

Start: \_\_\_\_\_ Finish: \_\_\_\_\_

Where is the project to take place? *(Please attach a location plan and legal description)*

1. Is the land a public reserve? Yes  No
2. Is the land vested in or controlled by Council?  
If 'Yes', please provide a copy of your lease/License to Occupy Yes  No
3. Does your organisation have buildings or facilities on the land?  
If 'Yes', please provide brief details below: Yes  No

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Briefly explain how this project/event benefits the community

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Please indicate which of the following Community Outcomes your project contributes to:

Outcome	Tick
Easy and safe to move around	
A growing, resilient economy	
Clean, healthy and valued environment	
Vibrant and healthy communities	
Well managed growth	



Subtract your contribution **(B)** from the total cost of the project **(A)**. The answer is the amount of money you need for your project to go ahead. **Projects need to be at least 50% self-funding.**

A: Total cost of project	\$
B: Less total funds available	\$
C: Difference	\$

How much funding are you requesting from the Whangarei District Council?

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

What permanent income does your organisation have?  
(You must be able to demonstrate the ability to pay loan instalments)

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Please provide a cash flow forecast for the term of the loan which demonstrates your ability to repay.

What security can you offer for the loan? (if applicable)

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Are there up to five members of your organisation who will be prepared to sign personal loan guarantees for the organisation? (if required)

Yes  No

## 4. Declaration

I declare that the information supplied here is correct. If the application is successful, I/we agree to:

- meet all legal expenses in relation to the loan, including those related to releasing security once the loan is repaid
- provide financial statements to Council annually within three months of completion of audit
- work with Council to remedy the situation as quickly as possible where a default in repayments occurs
- accept that the name of the group/organisation may appear in Council material accessible to the public where a default in repayments occurs
- acknowledge that we will be liable to return any monies granted should any breach of the conditions occur
- agree to acknowledge Whangarei District Council in all publicity

I consent to the Whangarei District Council recording the personal contact details provided in this application, retaining and using this information to send me relevant Council information. I undertake that I have obtained the consent of my group/organisation to provide these details. I understand that my name and/or the name of my group/organisation and brief details about the project may be released to the media or appear in publicity material. I am aware that we have the right to have access to this information held by Council. This consent is given under the Privacy Act 1993.

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## 5. Final Check

Make sure you have

- Completed all sections
- Provided a copy of your group/organisation's Certificate of Incorporation or Trust Deed
- Provided the group/organisation's last two years' financial accounts audited by a member of the New Zealand Society of Accountants
- Provided bank account details (attach a bank generated deposit slip)
- Attached a location plan and legal description of where the project is to take place
- Attached a copy of your Lease/Licence to Occupy (if the land where the project is to take place is vested in or controlled by Council)
- Attached quotes or schedules of materials and relevant plans and details (A4 size please)
- Provided a cash flow forecast for the term of the loan which demonstrates your ability to repay
- Attached any other information you consider relevant or helpful to your case e.g. management plan, strategic plan, aims and objectives, organisation's history, maps etc