



## **NEWLY REVISED FJC Building Loan Program**

### **What is the newly-revised FJC Building Loan Program?**

The Building Loan Program is an interest-free loan program developed to support nonprofit camps to attract and accommodate more campers. The program builds on the success of the AVI CHAI Camp Building Loan Program but with some important differences. Subject to the guidelines below, qualified residential nonprofit Jewish camps are now eligible for an FJC interest-free loan of up to 50% of their project cost, subject to the following maximum loan amounts: \$750,000 for camps with less than 250 campers and \$1.5 million for camps with more than 250 campers. (Formerly, the maximum loan amount was \$1 million).

The FJC Building Loan Program is intended for renovation and construction projects that expand camper capacity as well as for projects that upgrade accommodations or facilities. The Program is funded by the Maimonides Fund and is administered by FJC.

### **What is the application period for loan requests?**

The FJC Building Loan Program is open to new applicants beginning on May 11, 2015 and ending on August 31, 2016. Funding for the program is limited and camps applying for the program should submit their applications on a timely basis.

### **What is the application process?**

Interested camps will enter a three-tiered application process.

- Pre-eligibility
- Stage 1: Initial application
- Stage 2: Letter of intent/documentation

FJC intends to support projects that are not only admirable in their hopes and ambitions, but are also financially feasible for the camp to undertake. Therefore, FJC will request financial and board information to assess the camp's ability to repay the loan and to ensure the camp is following best practices for transparency and good governance.

### **PRE-ELIGIBILITY:**

Interested camps must complete a brief, on-line [pre-eligibility questionnaire](#). Pre-eligibility is based on size of camp and type of program. (See below for types of projects eligible for loan)

Each eligible camp will have a phone conversation with Laurie Stone, Director, Finance & Administration at FJC to confirm that your camp and the project fall within the broader guidelines of the FJC Building Loan Program.

Your camp will then be invited to apply for a loan.

## **STAGE 1: INITIAL APPLICATION**

FJC will invite eligible camps to complete the initial application. This short form requests:

- basic information about the camp
- a project description
- project budget
- requested amount
- other sources of funding for the project

The form must be signed by both the camp director and the chairman of the camp's board.

Accompanying this form, camps must also submit the required financial information:

- Audited financial statements or accountant's review and latest Form 990 (or comparable Canadian form, where applicable)
- Complete list of the board of directors, including a brief description of each member's professional and volunteer affiliations and any relationship to camp personnel

FJC will review this information and notify the camp if the request is eligible to move to stage two of the application process.

## **STAGE 2: LETTER OF INTENT/DOCUMENTATION**

FJC will be seeking more detail about the camp and the project for which the loan is requested. Included in the letter will be details regarding camps' intentional Judaic program (see below). FJC will provide an example of a "best practice" letter to guide you in this process.

When all parties are satisfied that the letter of intent is clear and represents your camp appropriately, it will be submitted to a small team of lay leaders and professional staff for final review.

### **Which camps are eligible for a loan?**

- Nonprofit Jewish residential camps in the United States or Canada.
- Minimum of 125 campers in each session during the previous summer. While the loan program is intended primarily for overnight camps, FJC will consider extending loans to day camps which offer a staff residential component.
- Financial stability and transparency, board governance and the camp's ability to repay the loan are all factors which will be considered in determining eligibility.
- The Jewish experiences and educational opportunities offered to both campers and staff will be taken into consideration, including:
  - Shabbat should be recognized camp-wide with appropriate Shabbat programming that distinguish the schedule of Shabbat from the camp schedule on the other six days.
  - The camp must exhibit a positive attitude towards Zionism and Jewish peoplehood.
  - Campers should learn the meaning of and reasons for the Jewish rituals they may practice or be exposed to during the summer.
  - All bunk counselors must self-define as Jewish.

- The camp must offer Jewish learning opportunities for the staff during the summer.
- The campers should participate in a minimum of two programs per session that will increase their knowledge of and connections to Israel. These programs must be in addition to any Yom Yisrael/Israel Day program or Maccabiah events.
- Preference will be given to camps whose director is engaged in some form of continuing personal Jewish education.

**What are the terms of the loan?**

- Subject to the other restrictions outlined in this memo, loans can be made to cover up to one-half of the cost of the construction or renovation project. (See = below about the types of projects that are eligible for a loan.)
- Each loan must be secured by a letter of credit (LC) arranged through an A-rated financial institution acceptable to FJC. FJC will provide a customized form of LC which said financial institution will be required to use. The camp will assume the annual cost of the letter of credit and any origination fee. No other form of collateral will be considered.
- Loans must be fully paid back within five years of loan origination. Following a grace period of up to 12 months, camps will be required to make equal quarterly principal re-payments over the remainder of the loan period.
- Loan funds generally will not be released until work is substantially underway and a site visit by an FJC representative is completed. We may on occasion make some loan commitments while the construction or renovation work is in the planning stages.

**What kinds of projects are most desirable?**

FJC desires to make loans for construction and renovation projects that expand camper capacity. While projects that upgrade accommodations or facilities (even if they don't increase the number of campers that can be accommodated during the summer) may still be eligible, preference will be given to projects which clearly enable a camp to serve more campers or staff. The following chart may help distinguish between projects which are highly desirable versus those are simply eligible:

Examples of desirable projects	Examples of eligible projects
New camper cabins or expansion of existing cabins New or expanded staff housing New dining hall or expansion of an existing one New indoor gymnasium  New sports fields Development of land on property for a new specialty program within an existing camp	Renovation (without expansion) of existing cabins Renovation (without expansion) of staff housing Renovation (without expansion) of existing dining hall New infirmary New laundry facility New septic system

**Are loans for projects that may be considered a form of deferred maintenance or mortgage consolidation eligible?**

No

**Contact Information**

All questions regarding the program should be directed to [FJCFreeLoan@jewishcamp.org](mailto:FJCFreeLoan@jewishcamp.org).