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No-interest loans help Plainfield stores look sharp

By GABRIELH. GLUCK

PLAINFIELD—Walter Swain knew he was facing some substantial bills to spruce up and repair the exterior of his Plainfield art gallery.

But the financial burden is going to be a bit easier, and projects he would have postponed won't be, thanks to a new program to assist city merchants.

The Plainfield Business Development Corp. has announced the creation of an \$800,000 fund from which city businesses will be able to obtain interest-free loans.

In addition, the group is providing funding for facade improvements, such as new signs and awnings. Businesses can receive up to \$750 for new signs, if they agree to put up \$250, and up to 75 percent funding for new awnings, to a maximum of \$1,500, according to Robert D. Fire, president of the business group.

The nonprofit corporation was formed last year and has worked on developing the loan and grant programs as part of a long-term solution to improving the appearance of city businesses, Fire said. The ultimate goal is to increase trade by making area businesses more attractive and inviting.

"It's taken us a long time to come up with something that was worth our volunteer time to do," Fire said.

And few could be more pleased with the program than Swain.

"It's great. It enables us to do some things we would have had to postpone," said Swain, who took a \$15,000 loan from the corporation to repaint his building, rebuild the front porch and repair exterior moldings.

Swain is also receiving a \$1,500 grant toward a new entrance awning to the parking lot, which may ultimately cost from \$2,000 to \$3,500, he said.

James Pilewski, a Fanwood developer who is converting the old United National Bank at 111 East Front St. into office space on the top floors and a banquet facility on the ground floor and lower level, received a \$50,000 loan.



Walter Swain, with his daughter Ann, stands in front of his partially restored Swain Galleries in Plainfield

"It enables me to do the facade work, cleanup, and lighting, and complete some of the work I (started) to do a year ago," Pilewski said, noting that he could not find sufficient funding to continue the building conversion through tradition-

The Community Advocates assisted The Plainfield Business Development Corp. in creating and implementing the \$800,000 fund from which businesses obtained interest-free loans.

al banking programs.

"I have every confidence the building will work out," he said, noting that the \$50,000 will

enable him to meet all city building and safety codes.

In addition, once the necessary changes are made to the building, the occupancy level, currently set at 180, will be raised to 452 to allow for bigger functions at the old bank building, now christened Park Plaza, according to Pilewski.

Five more city businesses are "in the pipeline" awaiting approval for the zero-interest loans; including Splendid Framing at West Front Street and Watchung Avenue, and Lilly Greenleaves on West Front Street.

"It makes simple bottom-line sense," Fire said. "Where are you going to get a loan like this in the state of New Jersey?"

If the program did not exist, city businessmen could expect to pay at least 12.5 percent interest on the money they are borrowing. For someone like Pilewski, the no-interest loan means a savings of more than \$10,000.

In essence, the corporation is paying the interest on the money through a program arranged with United National Bank, which is charging the prime rate plus one point, with the stipulation that the business group pay the interest up front.

The corporation's funds come from the Urban Enterprise Zone fund, via state sales tax receipts that are returned to the city to help rejuvenate business.

The city's enterprise zone includes the central business district and corridors running parallel to the railroad tracks out to the eastern and western border. Nearly all of the city's commercial sections are included.

At the east and west entrances to the city, the corporation expects to sign contracts soon for the new signs welcoming visitors to Plainfield, Fire said, noting that the group's progress on various projects has been limited by the small number of businessmen involved in the corporation.

He said the group is looking for two kinds of members, "the ones who say, 'We'll take your money with a smile,' and people who will roll up their sleeves."

