

## **HOW TO APPLY FOR A CONDITIONAL GRANT/LOAN FROM THE EAST DISTRICT UNION**

The East District Union can allocate funds for Conditional Grants/Loans each year as part of the investment of assets budgeting process. The funds are provided from East District Union and are administered by the East District Union (“EDU”) for the purpose of providing funds to the churches of the East District for physical improvements as described below. Repayment of the loans will be handled on a case by case basis.

- Funds are granted for a specific project and will be paid out in a format common for construction loans (i.e., periodic draw-downs).
- The conditional grants/loans is secured with a Deed of Trust and Assignment of Rents as required by The Book of Discipline (Paragraph 2541) which requires approval by **the local church Charge Conference, the pastor and the District Superintendent.**
- Assistance is given to congregations which meet the requirements and submit the necessary paperwork to complete the process.
- The cost of recording the Deed of Trust with the appropriate County Recorder is paid by the EDU.
- The request must be processed through the District Superintendent for her/his preliminary review and recommendation before the East District Union can give the matter consideration. The District Board of Church Location and Building may also be consulted.

### **Conditional Grants/Loans will be considered for the following:**

1. Projects or repairs required for health and safety or mandated by code requirements, where the local church is unable to provide all of the funds needed.
2. As supplemental funding for projects that are ready for implementation, but need additional funding for completion.

## **To request consideration for this funding the applicant must:**

- I. Submit a one page written application package, addressing concisely the items listed below to be sent to the East District Office (918 North Euclid Ave., Ontario, CA. 91762. email address: [eastdistrict@calpacumc.org](mailto:eastdistrict@calpacumc.org)) for review by the District Superintendent and the EDU. Application To Include:
  - a. A description of the Project including time line for completion of the project (assuming the necessary cash is available).
  - b. Total cost of project based upon bids from three (minimum) licensed contractors.
  - c. Amount requested as a conditional donation. If this is a problem of deferred maintenance, please address what plan you have in place to address building maintenance needs in the future.
  - d. Amount church will contribute to project (or funding breakdown).
  - e. Comment on how the project will improve the church's ministry and further the larger mission of the Church to make disciples of Jesus Christ and the compelling reason your project should be given apportionment funding.
  - f. Confirm payment of annual apportionments. (The full payment of apportionments is expected. If your apportionments were not paid in full over the past three years, please explain what plans the church has to improve payment record.)
  - g. A copy of the vesting deed for the church property, containing the trust clause required by Paragraph 2503 of the 2012 Book of Discipline. If the trust clause is not in the Deed, it must be added (EDU can assist) prior to the disbursement of funds.

To assure consideration by the EDU, please allow 30 days from the 1<sup>st</sup> of the month for review by the members of EDU. Typically, the East District Union Trustees meet every other month. You may call the East District Office at 909-984-7100 for the next scheduled meeting date. The mailing address is: East District Office of the United Methodist Church, 918 N. Euclid Ave., Ontario, CA. 91762. Email: [eastdistrict@calpacumc.org](mailto:eastdistrict@calpacumc.org).

## **What is a Conditional Loan?**

A Conditional Loan is an amount of money that does not have to be repaid as long as the church is thriving and doing ministry. If the church ceases its work and ministry, and decides to sell the property, repayment of the EDU conditional loan will come out of the sale of the property.

## EAST DISTRICT UNION OF THE UNITED METHODIST CHURCH GRANT/ LOAN APPLICATION FORM

Church name: \_\_\_\_\_

- I. Describe the project for which you are requesting funds.
  - a. When do you anticipate the project will be completed if you receive the funds needed?
  
- II. What is the total cost of the project based on three bids from licensed contractors?  
\$ \_\_\_\_\_
  
- III. Amount requested as a conditional donation. \$ \_\_\_\_\_
  - a. If the problem you are addressing is the result of deferred maintenance on your property, what plan do you have in place to meet the maintenance needs of the property in the future?
  
- IV. What amount will the church be contributing to this project?
  - a. Please provide a funding breakdown.
  
- V. How will the funding and completion of this project enhance your church's ministry and further the larger mission of the church to make disciples of Jesus Christ?
  - a. What is the most compelling reason why this project to be funded?
  
- VI. Please confirm full payment of your church's annual apportionments. (We will need an explanation if your apportionments over the past three (3) years have not been paid in full.

- VII. The EDU will require a copy of the vesting deed for the church property, containing the trust clause required by ¶ 2503 of the Book of Discipline 2012. If not in the deed, it will have to be added prior to the disbursement of funds.

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Pastor name and signature

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Trustee chair name and signature

Date of application: \_\_\_\_\_