

# Fairfield County Revolving Loan Fund Application

## I. Eligibility

The following questions are designed to help determine if the project/loan application meets the guidelines established by the governmental agencies, such as the Economic Development Administration (EDA) and the Ohio Development Services Agency, that have provided the funding to establish the Fairfield County Revolving Loan Fund. There are two separate funds that the Fairfield County Economic Development Department administers for the Revolving Loan Fund. The Economic Development Administration (EDA) fund can be used anywhere within the county but the Ohio Development Services Agency cannot be used within the boundaries of the City of Lancaster since it already receives Community Development Block Grant (CDBG) money. Additionally, if the applicant is awarded funds from the CDBG they will be required to make a concerted effort to collect additional data from job applicants and hire low – moderate income individuals. Depending on account balances, project location and other factors, the Fairfield County Economic Development Department will choose whether EDA or CDBG funds are best suited for the applicant. The Fairfield County Economic Development Department retains the final authority in determining which loan fund the recipient will receive a disbursement from and the final authority in determining eligibility.

1. Is the business organized as a private, for-profit entity?
  - a. Yes
  - b. No (project may be ineligible, please contact Economic Development)
2. Will the business be located in Fairfield County?
  - a. Yes
  - b. No (project may be ineligible, please contact Economic Development)
3. If the business already exists does it employ less than 200 people?
  - a. Yes
  - b. No (project may be ineligible, please contact Economic Development)
  - c. N/A business does not currently exist
4. Is the loan to be used for an intra-family transaction, i.e. buying out another family member?
  - a. Yes (project may be ineligible, please contact Economic Development)
  - b. No
5. Is the applicant(s) contributing at least 5% of the total project cost in cash or equity or 10% if it's a new business?
  - a. Yes
  - b. No (project may be ineligible, please contact Economic Development)
6. For every \$25,000 borrowed (\$1 – \$25,000) one full-time equivalent job must be created or retained within two years. A full-time equivalent job is defined as an employee that works at least 35 hours per week or a group of employees who combine to work at least 35 hours per week. Does the business seeking funding create/retain at least one full-time equivalent job for every \$25,000 borrowed?
  - a. Yes
  - b. No (project may be ineligible, please contact Economic Development)

7. Is applicant/business current on all tax liabilities?
  - a. Yes
  - b. No (project may be ineligible, please contact Economic Development)
8. Does the business have, or commit to creating, an equal opportunity policy?
  - a. Yes
  - b. No (project may be ineligible, please contact Economic Development)

**II. Applicant Information**

List personal information for individuals who own 20% of more of the business seeking to borrow funds from one of the revolving loan funds. Copy and use additional pages from this document if necessary.

Applicant Name	
Applicant E-Mail	
Applicant Phone	
Applicant Personal Residence Address	
Business Title (CEO, etc.)	
Percent Ownership	

1. Does the applicant(s) have experience owning a business?
  - a. Yes
  - b. No
    - i. If so, how many years of experience? \_\_\_\_\_
    - ii. Describe the business previously owned:
   
\_\_\_\_\_
   
\_\_\_\_\_
   
\_\_\_\_\_

2. Does the applicant(s) possess industry experience related to this business venture?
  - a. Yes  
If so, how many years of experience? \_\_\_\_\_
  - b. No
  
3. Does the applicant(s) have formal or specialized training that will increase the likelihood of this venture's success?
  - a. Yes, describe: \_\_\_\_\_
  - b. No
  
4. Has the applicant(s) ever filed for bankruptcy?
  - a. Yes  
If yes, please provide additional information:  
\_\_\_\_\_  
\_\_\_\_\_
  - b. No
  
5. Is the applicant(s) up-to-date on all other loans and obligations, both business and personal, including taxes and child support?
  - a. Yes
  - b. No  
If no, please provide additional information:  
\_\_\_\_\_  
\_\_\_\_\_
  
6. If the applicant(s) were to be funded would the business qualify as a:
  - a. Women owned business
  - b. Minority owned business
  - c. Low-moderate income individual owned business
  - d. None of the above

**III. Business Information**

Business Name	
Business Address	
Business Phone	
Structure – LLC, LP, LLP, etc.	

9. Is the business reusing/redeveloping currently vacant/blighted space?
- a. Yes - reuse/redevelop
  - b. No – new build

10. Is the business a start-up (less than 2 years old)?
- a. Yes
  - b. No

**Jobs to be created:** with few exceptions, projects involving Fairfield County Revolving Loan Fund dollars must create net new full-time equivalent jobs within two years or retain jobs within the county. Please indicate the number of full-time and part-time positions that will be created and what those positions are.

	Full-Time Positions	Part-Time Positions	Description of Positions and estimated wages
Year 1			
Year 2			
Retained Jobs:			

**IV. Loan Information**

*Depending on account balances, project location and other factors, the Fairfield County Economic Development Department may choose to use EDA or CDBG funds for all applications. Terms reflected are the maximum allowable and the review committee may offer terms other than those reflected here.*

	<b>Bank Finance</b>	<b>Owner Finance</b>	<b>Other</b> _____	<b>RLF Loan Finance</b>	<b>RLF Max Term</b>
<b>Land</b>	\$	\$	\$	\$	EDA – 20 year
<b>Building Acquisition</b>	\$	\$	\$	\$	EDA – 20 year
<b>Building Construction</b>	\$	\$	\$	\$	EDA – 20 year
<b>Building Renovation</b>	\$	\$	\$	\$	EDA – 20 year
<b>Machinery &amp; Equipment</b>	\$	\$	\$	\$	EDA – 10 year
<b>Furniture &amp; Fixtures</b>	\$	\$	\$	\$	EDA – 10 year
<b>Working Capital</b>	\$	\$	\$	\$	EDA – 5 year
<b>TOTAL</b>	\$	\$  (min of 5% current business; 10% for start up)	\$	\$	

1. If applying for financing for machinery and equipment what is the useful life of the asset(s)?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

2. All loans must be secured with some sort of collateral, such as a lien on personal property or business assets. Describe what is being put up for collateral below. Additionally, define what position the RLF would have on the asset. For example, if putting up your home but you have a mortgage (1<sup>st</sup> position) and you are also using it as collateral for the bank business loan (2<sup>nd</sup> position) and would like to also use it as collateral for the RLF, the RLF would be 3<sup>rd</sup> position. Work with your banker to determine which position the RLF would fall in or call the Economic Development Department with questions.

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3. Are you requesting an interest-only payment until the business is operational?
  - a. Yes  
Anticipated date of business opening: \_\_\_\_\_
  - b. No

Note: All projects must be completed within 12 months of cash disbursement

**V. Additional Loan Requirements**

Please initial on the following lines to demonstrate that you understand the following conditions of the loan should your application be approved by the review committee. This is not intended to be an exhaustive or all-encompassing list and other terms and conditions may be present in the final loan documentation:

1. Loan recipients are required to meet with staff members of the Economic Development Department annually and demonstrate that they have met, or are working towards, employment targets. Financial, tax records, worker compensation, payroll and other information that support this may be required for verification of this information. Initials:\_\_\_\_
2. To ensure that public resources are being used effectively, and to mitigate risk of the loan, the applicant may be required to submit financial and other information to the Economic Development Department with appropriate notice. Alternatively, the staff may request that the primary lender share information on the status of the loan with the RLF. Initials:\_\_\_\_
3. The Economic Development Department may require the applicant to meet with staff before presenting the loan application to the review committee. Initials:\_\_\_\_
4. The applicant agrees to pay for the costs of filing all mortgages and liens. Initials:\_\_\_\_
5. The applicant may be required to obtain key man life insurance and agrees to comply with this requirement and keep an active policy throughout the life of the loan. Initials:\_\_\_\_

6. The applicant certifies that to the best of their knowledge they are not related by blood, marriage, law or business arrangement to any member of the Revolving Loan Review Committee or the Fairfield County Commissioners or their staff or that they will disclose this information should any of these relationships exist. Initials:\_\_\_\_

While a majority of the funds available for disbursement are from the Economic Development Administration a sizable amount of the loan fund is provided by the State of Ohio's Community Development Block Grant program (CDBG). In addition to the requirements discussed elsewhere CDBG projects are required to furnish supplemental information including:

1. If working capital is included in the loan the applicant will provide a monthly status update to staff (CDBG). Initials:\_\_\_\_
2. In the event that an environmental review, archeological/historic review, UCC filing, FEMA flood insurance, etc. are required for disbursement of the loan (CDBG) the borrower will pay for all costs associated with the environmental review. Initials:\_\_\_\_
3. In the event that the loan is approved for a CDBG loan the applicant agrees that 51% of the jobs will be made available to low and moderate income individuals. Further the applicant agrees to keep a file of verification of this information or consider referrals from Job and Family Services for employees. The Economic Development Department will provide the necessary training and forms for compliance. Initials:\_\_\_\_

CERTIFICATION; I/We certify:

(a) All information in this application and the exhibits is true and complete to the best of my/our knowledge and is submitted to the Revolving Loan Fund Committee in order that the Revolving Loan Fund Committee may decide whether to grant a loan or to participate with a lending institution in a loan for my/our proposed project.

(b) I/We give assurance that I/we will comply with Sections 112 and 113 of Volume 13 of the Code of Federal Regulations. These code sections prohibit discrimination on the grounds of race, color, sex, religion, marital status, handicap, age or national origin by recipients of federal financial assistance and require appropriate reports and access to books and records. These requirements are applicable to anyone who buys or takes control of the business. I/We realize that if I/we do not comply with these non-discrimination requirements, the Revolving Loan Fund Committee can call, terminate or accelerate repayment of the loan.

Authority to Collect Personal Information: This information is provided pursuant to Public Law 93-579 Privacy Act of 1974). Effect of Non-disclosure: Omission of an item means your application may not receive full consideration.

I/We authorize disclosure of all information submitted in connection with this application to the Revolving Loan Fund Committee and its consultants. I/We understand that all information may be subjected to public review under Public Disclosure Laws.

As consideration for any Management and Technical assistance which may be provided,

I/we waive all claims against the Revolving Loan Fund Committee and its consultants.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Company Name/Officer Name/Title

\_\_\_\_\_  
Date

### **Application Checklist**

- ✓ Completed application.
- ✓ Letter from primary lender (the bank) stating why they are unable to fully fund the project's loan; the Revolving Loan Fund will not be used to compete with traditional lenders.
- ✓ Application fee of \$250 made payable to Fairfield County Commissioners (checks will not be cashed unless the Committee approves the loan).
- ✓ Personal guarantee of borrower if they will/do own more than 20% of the company.
- ✓ 3 years of tax returns (business).
- ✓ 3 years of tax returns (personal)
- ✓ 3 years of business financial statements (balance sheet/income statement).
- ✓ Current business financial statement.
- ✓ Schedule of existing business loans.
- ✓ Corporate resolution/articles of incorporation.
- ✓ Lease or purchase commitment.
- ✓ Personal financial statement.
- ✓ Projected financial statement and monthly cash flow analysis (if start up).
- ✓ Copy of business plan.
- ✓ Resume of company owners/managers.
- ✓ Description of employment practices and other civil rights information, such as equal opportunity statement, if applicable.

All applications are due on the 1<sup>st</sup> Tuesday of the month to give staff enough time to review documentation. Requests will be heard by the RLF Loan Review Committee in person mid-month. Not all aspects of this checklist will apply to every loan. It is intended to serve as general guidance to the borrower. We are always available to take your calls and answer your questions. Feel free to contact Rick Szabrak, Economic Development Director, at [rick.szabrak@fairfieldcountyohio.gov](mailto:rick.szabrak@fairfieldcountyohio.gov) or 740-652-7160.