

BCDA Inc. Loan Application



Business Loans

BCDA Inc. has created a revolving loan fund to provide loans to businesses in Boone County. Loans made by BCDA will serve as gap financing after a loan has been secured with a local lender of the applicant's choice.

Minimum/Maximum Loan Amount

There is no minimum loan amount. Maximum loan amount will be \$50,000 or 10% of the project, whichever amount is less. Interest rates will vary by project.

Loan Application Process

In order for application to be considered, the applicant will complete a BCDA Inc. Loan Application form, provide supporting documents as listed in the Application Information Checklist, and provide evidence of working relationship with local financial institution.

Approval/Denial and Notification Process

Upon receipt of completed application form and supporting documents, the application will go to the BCDA loan committee, who will make a recommendation to BCDA Executive Committee for approval. The Executive Director of BCDA Inc. will notify both the applicant and primary lender upon approval/denial of the application.

Fees

BCDA Inc. will not assess an application fee to the loan applicant. However, any fees incurred by BCDA on behalf of the application will be assessed to the applicant and will be paid in full at the time of closing in order to receive funds. The fees can include, but are not limited to: filing fees, appraisal costs, and title insurance.

BCDA Inc.
Business Loan Program

Application Process:

Direct financial assistance under the BCDA Inc. Business Loan Program, an applicant must provide the following unless waived by the Executive Director:

1. A completed BCDA Inc. Business Loan Application form (An application shall be developed for the Economic Development program and revised from time to time to include pertinent information. Applications will be made available at the BCDA Inc. office.
2. A detailed description of the proposed project.
3. A business plan, including employment and financial projections
4. Current financial statements, financing requirements for the project, and total project cost.
5. Additional information, to determine the economic viability of the proposed project(s), may be requested by the Executive Director.

Generally, applications will be reviewed in the order in which they were received. When an application is received that is deemed “urgent” by the Executive Director, it may be reviewed and approved, before other applications received. However, other pending applications will then be addressed in a timely manner.

Application review and approval, or disapproval, will be based on project feasibility as determined by review of the applicant’s application and documents, along with the potential future economic benefit to the community. Applications may be prioritized by the Executive Director with the most cost-effective project to receive a priority for the use of funds.

Before final approval, the Executive Director will be responsible for the verification of business information provided by eligible businesses that receive a recommendation for financial assistance.

Upon completion of the negotiations on the terms and conditions of assistance between the Executive Director and the applicant, the project will be submitted to the Loan Committee for review. The committee will consider the overall benefits to the county and in its deliberation and will provide the Executive Committee with a recommendation. After review, the Executive Committee will make a decision to approve/disapprove the application.

In the process of gathering information about a qualifying business, the Boone County Development Agency may receive confidential information about the business, which if released, could cause harm to the business or give unfair advantage to its competitors. State law authorized cities and other public entities to maintain confidentiality of the information it receives. Procedures will be developed and approved by the Boone County Development Agency Executive Committee to insure the confidentiality of business information received from applicants for financial assistance. These will include the adoption of an ordinance which makes such information confidential and punishes disclosure; a restriction on the number of people with access to files; the designation of a responsible party for their safekeeping; and requirements for personnel involved in the program review or with access to any business information, to sign statements on confidentiality regarding all personal and private submittals. These procedures may be revised from time to time with Executive Committee approval.

Eligible Businesses

Any corporation, partnership, limited liability company, or sole proprietorship, without regard to its principal source of income, shall be a qualifying business under the BCDA Inc. Business Loan Program.

Eligible Activities

Eligible activities under BCDA Inc. Business Loan Program shall include any project or program utilizing funds derived from local sources of revenue for the purpose of providing direct or indirect financial assistance to qualifying businesses or the payment of related costs and expenses or both, without regard to whether that business is identified at the time of the project or program is initiated or is to be determined by specified means at some time in the future. Eligible activities include, but are not limited to:

1. The purchase of real estate, options for such purchases, and the renewal or extension of such options;
2. Public works improvements essential to the location or expansion of a qualifying business;
3. Expenses for locating a qualifying business into the area or an existing business to a more suitable location;
4. Loans to qualifying businesses;
5. Loan guarantees to qualifying businesses;
6. The provisions of technical assistance such as marketing assistance, management, counseling, preparing business plans, engineering assistance, etc.;

BCDA Inc.
Application Information Checklist

This tool is a useful tool to help you make sure you have all pertinent information when you turn in your application. The loan committee requests that you will provide the following information. There may, however, be additional information the committee will request.

Business Financial Information:

- _____ BCDA Inc. Application (signed)
- _____ Business Plan, including projected two year income and expenses
- _____ Current year-to-date Profit and Loss Statement (signed)
- _____ Recent balance sheet (signed) and previous two years, if available
- _____ Detailed description of proposed project
- _____ *If Corporation:* Two years complete corporate tax returns (Signed), Articles of Incorporation, By-Laws, Minutes of last meeting and Corporate Resolution authorizing loan application and execution of required documents
- _____ *If Partnership:* Copy of Partnership Agreement and two years partnership tax returns (signed)
- _____ *If LLC or LLP:* Two years complete entity tax returns (signed)
- _____ If purchasing an existing business, then supply the business's previous three years financial statements and tax returns

Personal Financial Information:

- _____ *If Sole Proprietor:* Two years completed individual federal tax returns (signed)
- _____ *If "S" or "C" Corp, LLC or LLP:* Two years complete individual federal tax returns, if over 25% ownership (signed)
- _____ *If Partnership:* Two years complete individual federal tax returns for general partners and for limited partners, if over 25% ownership (signed)
- _____ Credit Bureau Report (www.freecreditreport.com) for individual sole proprietors or for:
 - If Corporation:* all shareholders with over 25% ownership
 - If Partnership:* all general partners
 - If LLC or LLP:* managers

Other Information:

- _____ Copy of Valid Driver's License
- _____ Certification and Authorization form (completed and signed)
- _____ Child Registry and Criminal History Check

BCDA Inc.
For Business Loans and Guarantees

PLEASE COMPLETE ENTIRE FORM-DO NOT LEAVE ANY QUESTIONS BLANK

A. Business (Borrower) Information:

Name of Business to Receive Assistance: _____

Federal ID# _____

Business Entity:

_____ **Sole Proprietorship**

_____ **General Partnership**

_____ **"S" Corporation**

_____ **"C" Corporation**

_____ **Limited Liability Company**

_____ **Limited Liability Partnership**

(Depending on entity type, certain supporting documentation is needed-see checklist)

Address: _____ **City:** _____ **State:** ____ **ZIP:** _____

Contact Person: _____ **Telephone ()** _____

FAX () _____ **E-mail:** _____

Web Address (if applicable): _____

Business Classification:

_____ **Manufacturing**

_____ **Warehousing & Distribution**

_____ **Service**

_____ **Retail**

_____ **Research & Development**

_____ **Tourism**

_____ **Administrative Mgmt Headquarters** ____

Telecommunications

_____ **Other, please explain** _____

Does the business have a parent or subsidiaries?

_____ **Yes**

_____ **No**

If yes, identify name: _____

Address: _____

City: _____ **State:** ____ **ZIP:** _____

Business Type: _____ **Start-up (0-5 Years old)**

_____ **Acquisition**

_____ **Existing-Number of Years in Business:** _____

Ownership Identification: List all officers, directors, partners, owners, co-owners and all stockholders. Enter under Minority Code, a "1" if the person is a woman, and "2" if a member of minority group, and a "3" if the person is disabled. (Minority code is only needed if you are also applying for CDBG funds).

Name	Title	Ownership Percent	Minority Code
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Personnel: (Full-Time Equivalent, FTE is based upon 2,080 hours per year).

Existing # of FTE Positions: _____

Total Number of Season FTE Jobs Created (i.e. Jobs that will be available for at least 3 continuous months and recur annually): _____

Starting wage per hour for your personnel: \$ _____

B. Project Information

USES OF FUNDS	Total Project Cost	BCDA Funds Requested
Land Acquisition	_____	_____
Building Acquisition/Renovation	_____	_____
New Facility Construction	_____	_____
Acquisition of Machinery/Equip.	_____	_____
Acquisition of Furniture/Fixtures	_____	_____
Working Capital	_____	_____
(includes inventory)	_____	_____
TOTAL:	_____	_____

SOURCES OF FUNDS

Note: Public financing requires the participation of a private financier and equity funds.

Participating Lender Information:

Name of Lending Institution: _____

Address: _____ City: _____ State: _____ ZIP: _____

Contact Person: _____ Phone: () _____

Loan Amount: \$ _____ Loan Term in Years: _____

Interest Rate: _____ Percent _____ Variable _____ Fixed

Collateral Required:_____ Equity Required:_____

Equity Information:

Amount available by business or owners for investment: \$_____

C. Other Information Needed:

Personal Financial Statement: Complete the attached Personal Financial Statements Form or submit an acceptable substitute for each person.

Business Documentation: See Information Checklist for detailed outline depending on business entity type. Info to include Credit Bureau Report, tax returns, profit and loss statement, balance sheet, article of incorporation, by-laws and minutes of last meeting, corporate resolution, and business plan.

In addition, provide required information as detailed in the BCDA Inc.

The above information is accurate to the best of my knowledge and belief. The above information is provided to help you evaluate the feasibility of obtaining public financial assistance. I further authorize release of personal information and business credit information.

Dated:_____ Signature:_____

Dated:_____ Signature:_____

Dated:_____ Signature:_____