**Franklin County TIF Revolving Loan Fund 2018**

The goals of the fund are job growth and business expansion in the Unorganized Territories (UT). Therefore, loan requests should involve activities to achieve these goals. As funds are available, loan requests in the amount of $10,000 to $100,000 are welcomed.

**ELIGIBILITY AND APPLICATION GUIDELINES FRANKLIN COUNTY - REVOLVING LOAN FUND**

**Loans to Franklin County Businesses operating in the UT**

• Loan amounts of $10,000 to $100,000.

• Loan amounts over $100,000 for project proposals for significant job creation and/or substantial capital investment, may be considered.

• One active loan per business owner.

• Rate: Fixed rate at the current Wall Street Journal prime rate or lower, at time of loan approval.

• Loan Terms: Dependent on the nature of the request. Maximum tern ten years.

• Eligible purposes: business acquisition, commercial real estate acquisition, new construction, building improvements, equipment purchase and leasehold improvements.

• Eligible entities include startups and existing businesses.

• Use of standard underwriting practices; factors to be considered include repayment capacity, financial strength of the company and guarantors, industry and management experience, and collateral protection.

• Post-closing: servicing, loan monitoring, billing, and collections administered by Franklin County.

**Loan Requirements**

• Personal credit (600 or above).

• Collateral required.

• All owners with more than 20% ownership must personally guaranty the loan.

• Life insurance on owner/guarantor equivalent to loan amount, where no valid succession plan is in place.

• Minimum equity injection of 10%, from the owner, for startup businesses.

• Business plan and financial projections required.

**Excluded Transactions**

• Financing existing debt where the fund is in position to take a loss.

• Loans for the reimbursement of funds owed to an owner or reimbursement of equity injection.

• Loans for repayment of delinquent state or federal taxes.

• Non-owner occupied real estate.

• Personal expenses of owner(s) or employees.

• Other exclusions may apply.

**Application Process and Fees**

• Application deadlines are established at the start of each calendar year for the submission of loan applications. Underwriting recommendations are submitted to the Board of County Commissioners for final approval. The recommendation will include proposed terms, interest rate and acceptable collateral.

• Applicant may be required to meet with SCORE.

**Complete Loan Application Package includes:**

• Completed application.

• Completed business plan.

• Required attachments per checklist.

“Note Credit bureau reports will be pulled by bank and provided to Commissioners.”

**REQUIRED ATTACHMENTS CHECKLIST**

Important: Applications missing ANY of the below attachments will be considered INCOMPLETE and RETURNED without consideration.

**For startup businesses and businesses in operation less than two (2) years.**

\_Personal financial statements for each owner or partner (20+%).

\_Applicant income tax returns for the two preceding years.

\_Complete business plan (including business description, market validation, marketing strategy, management resumes, financial strategy, and exit strategy)

\_Business financial projections for three (3) years (including balance sheets, profit/loss statements, and cash flow).

\_Copy of Life Insurance for each owner or partner (20+%).

**For existing businesses over two years in operation.**

\_Company financial statements for the preceding two (2) fiscal years (including balance sheets and profit/loss statements.

\_Most current year-to-date balance sheet and profit/loss statement(s).

\_Company tax return for the preceding (2) fiscal years.

\_Complete business plan (including business description, market validation, marketing strategy, management resumes, financial strategy, and exit strategy)

\_History and description of the company, including management resumes of principal business owner(s) and a business growth strategy resulting from the requested loan that will help advance the company to the next stage and the anticipated outcomes of the financing.

\_Copy of Life Insurance for each owner or partner (20+%).

\_Personal Financial Statement

**For incorporated businesses.**

\_If business is incorporated, include complete copy of Certified Articles of Incorporation and all Amendments, and List of Corporate Officers and Titles.

\_Complete business plan (including business description, market validation, marketing strategy, management resumes, financial strategy, and exit strategy)

\_Copy of Life Insurance for each owner or partner (20+%).

**Revolving Loan Fund may be paired with Grant funds**

**Grants to Franklin County Businesses operating in the UT**

• Grant amounts of $5,000 to $50,000.

• One active grant per business owner.

• Must have 1:1 matching funds

• Eligible purposes: new construction, building improvements, equipment purchase and leasehold improvements.

“Note loan can be combined with other traditional financing request.”

The Franklin County Commissioners reserve the right to waive or modify any of the Revolving Loan Fund and/or Grant Funds guideline requirements. Final determination for the distribution of any funds through the Franklin County TIF RLF/Grant Program will be at the discretion of the County Commissioners.