



BUSINESS DEVELOPMENT REVOLVING LOAN FUND

Chris Schmiesing – Community & Economic Development Director
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www.piquaoh.org

Dear Applicant:

Thank you for your interest in the City of Piqua's Business Development Revolving Loan Fund Program. This unique program funded by the United States Department of Agriculture provides loan funds for businesses that have fifty or fewer employees and gross revenue of less than \$1,000,000.

In this application package you will find pertinent information and application forms necessary in order to apply for financial assistance through the City of Piqua's Business Development Revolving Loan Fund Program.

The United States Department of Agriculture requires certain forms be signed by the applicant and meet federal regulations. Loan applications will be processed by staff and then reviewed by the Loan Review Committee (LRC). Loans must also be approved by the City Commission and the United States Department of Agriculture (USDA) before funds can be released.

The maximum loan amount for this program is \$60,000. Applicants must commit to create or retain one job for every portion of \$15,000 in assistance being provided.

If you wish to apply for participation in the City of Piqua's Business Development Revolving Loan Fund Program, please complete the enclosed application and attach all necessary documentation return it to:

Business Development Revolving Loan Fund Program
Attn: Chris Schmiesing
City of Piqua, Development Department
201 West Water Street, Piqua, OH 45356

Questions about the program application packet can be answered by contacting Chris Schmiesing, Community & Economic Development Director at 937.778.2049 or via email at cschmiesing@piquaoh.org.

Thanks for your interest in this program.

Chris Schmiesing
Community & Economic Development Director
City of Piqua

ELIGIBLE EXPENSES OF LOAN FUNDS

Loans funded to participants in the program may be used for the following activities:

- Construction
- Real Estate Acquisition
- Renovation of Existing Structures
- Equipment
- Working Capital
- Inventory

LOAN PACKAGE REQUIREMENT CHECKLIST AND PROCESS – NEW LOAN GUIDELINES

Part One – Preliminary Information	
	Completed Application Form
	RD Form 400-1 “Equal Opportunity Agreement” (Required only if project deals with construction) (Attached)
	RD Form 400-4 “Assurance Agreement” (Attached)
	Form AD-1048 “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction” (Attached)
	Credit Eligibility Certification Form (Attached)

Part Two – Financial Information	
	Written Business Plan
	Detailed Description of Proposed Project
	Historical Financial Statements for Three Years (If Applicable)
	Three Year Cash Flow Projections with Assumptions
	Personal Financial Statement (Attached)
	Status of other financing for this project with acknowledgement regarding this application

LOAN AMOUNTS

The maximum loan amount for this program is \$60,000. All applicants of this loan program must commit to create or retain one job for every portion of \$15,000 in assistance being requested.

LIMITS OF ASSISTANCE

Business development revolving loan funds are designed to supplement other commercial lending sources. The terms of assistance will be commensurate with the security provided by the applicant including an acceptable mortgage lien on real estate, a lien on machinery/equipment, or another form of collateral approved by the LRC.

APPLICATION REQUIREMENTS

Applicants must complete the application package in full, providing attachments as needed.

Applicants will be asked to meet with the Development Department to discuss their business and their plans for funding.

Businesses less than five years old will be required to meet with the Small Business Development Center to go over their business plan and other required financial documents prior to submitting an application.

Once all application materials are reviewed by staff the applicant will be asked to make a presentation to the Loan Review Committee as part of the application review process.

LOAN TERMS

All approved loan recipients will be required to enter into a "Loan Agreement" with the City of Piqua, utilizing USDA funds. The length of the loan will be tied to the useful life of the asset being secured by the loan, though no loan term will be longer than fifteen years. Purchases of land and buildings can be amortized over a fifteen year period. Purchases of equipment, furniture and fixtures are expected to be anywhere from five to ten years. In every instance a loan is provided to a local business, the city will take the appropriate action to appropriately secure the loan's position to the asset. The following loan terms and obligations will be followed:

Administration Fee – a \$10.00 administration fee will be included with each monthly installment payment.

Interest Rate – RLF loans will typically have an Annual Interest Rate of 3% (A.P.R.)

Repayment – complete repayment of the loan is required in monthly payment installments of the amortized principal and interest within the loan term period agreed upon by the recipient and LRC.

Project Monitoring & Use of Funds – Loan recipients must agree to allow duly authorized representatives of the City of Piqua and the USDA, at reasonable times, to have access to any portion of the project in which city revolving loan funds were used. Authorized representatives will also look for compliance that funds are being used in accordance with the loan agreement. Loan recipient also agrees to provide an annual financial statement and annual report of all full-time and part-time employees for USDA monitoring purposes.

LOAN APPROVAL PROCESS

Completed loan applications will be reviewed by staff and submitted to the LRC for approval and recommendation to City Commission and USDA.

LOAN DISBURSEMENT

A check for loan proceeds will be made available for the recipient to sign for in the City of Piqua Development office.

SECTION A. APPLICANT NAME

Business Name:	
Business Address:	
City, State, ZIP	
Business Phone:	
NAICS Code:	
DUNS Number:	
Tax ID Number:	
Number of Employees:	
Annual Gross Revenues:	

Owner Name:	
Owner Phone Number:	
Owner Email Address:	

CEO Name (if different from owner):	
CEO Phone Number:	
CEO Email Address:	

Finance Director Name:	
Finance Director Phone Number:	
Finance Director Email Address:	

SECTION B. BANKING INFORMATION

Bank Name 1:	
Bank Address:	
City, State, ZIP	
Account Owner:	
Account Type:	
Account Number:	
Account Balance:	

Bank Name 2:	
Bank Address:	
City, State, ZIP	
Account Owner:	
Account Type:	
Account Number:	
Account Balance:	

Bank Name 3:	
Bank Address:	
City, State, ZIP	
Account Owner:	
Account Type:	
Account Number:	
Account Balance:	

Bank Name 4:	
Bank Address:	
City, State, ZIP	
Account Owner:	
Account Type:	
Account Number:	
Account Balance:	

SECTION C. CREDITOR INFORMATION

Creditor Name 1:	
Creditor Address:	
City, State, ZIP	
Asset Owner:	
Purpose of Credit:	
Monthly Payment:	
Credit Balance:	

Creditor Name 2:	
Creditor Address:	
City, State, ZIP	
Asset Owner:	
Purpose of Credit:	
Monthly Payment:	
Credit Balance:	

Creditor Name 3:	
Creditor Address:	
City, State, ZIP	
Asset Owner:	
Purpose of Credit:	
Monthly Payment:	
Credit Balance:	

Creditor Name 4:	
Creditor Address:	
City, State, ZIP	
Asset Owner:	
Purpose of Credit:	
Monthly Payment:	
Credit Balance:	

SECTION D. DESCRIPTION OF BUSINESS / CURRENT OPERATION

SECTION E. REASON FOR LOAN REQUEST / DESCRIPTION OF PROPOSED PROJECT

Loan Amount Requested _____

Number of Employees to create/retain _____

Collateral Pledged

Please include for Collateral:

- Recent appraisal or county tax records of any real estate which will be offered as collateral.
- Listing of outstanding liens and mortgages on the property/assets proposed as security.
- Evidence of authority to make improvements such as deed, qualifying lease, or notarized authorization from property owner.

NOTE: If the business is partly owned by another individual, an individual application must be filed by all part owners of the business, unless they are from the same household.

Please be advised that Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

I/We hereby certify that each of the statements made and answers given in this loan application is true and correct, and is made for the purposes of inducing the City of Piqua to make a loan to me/us for the purchase of eligible items and services under the City of Piqua's Business Development Revolving Loan Fund Program.

I/We certify that I/we are competent to enter into a contract and no bankruptcy proceedings are in progress or anticipated that involved me/us.

I/We hereby authorize the obtaining of a consumer credit report to be used in evaluating this application and obtaining and exchanging of credit information from and with other creditors and consumer reporting agencies.

For the purposes of procuring and maintaining credit from time to time from the City of Piqua, the undersigned certifies that the foregoing is a true and accurate statement of the financial condition of the undersigned as of the above date and agrees that, in the event of any material change in such financial condition, the undersigned will immediately notify the city of such changes or whether or not an application for further credit is made. In the absence of such notice, the City of Piqua may continue to rely upon this statement as a true and accurate statement of the financial condition of the undersigned. In the event of the failure of the undersigned to so notify the city or in the event of this statement is false in any material respect, the city may declare due and payable any and all obligations of the undersigned to the city without notice or demand. The undersigned further certifies that all blank spaces in the foregoing statement are inapplicable. The undersigned authorizes the City of Piqua to make whatever credit inquiries deemed necessary in connection with this financial statement or in collecting any credit you extend and authorize and instruct any persons you contact to compile and furnish such information as they may have or obtain in response to your inquiry.

Authorized Signature

Date

Authorized Signature

Date

APPLICANTS ARE REQUIRED TO FILL OUT THE SECTION PER REGULATIONS FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE

Because this program has received funds from the United States Department of Agriculture, the following information is required by the Department of Agriculture in order to monitor the borrower's compliance with equal opportunity. You are not required to furnish the information but are strongly encouraged to do so. The law provides that a borrower may discriminate on the basis of this information, not on whether you choose to furnish it. If you provide the information, please provide both ethnicity and race. For race you may choose more than one (1) designation. If you do not furnish this information, under United States Department of Agriculture Regulations, this borrower is required to note the information on the basis of visual observation or surname.

Race

American Indian/Alaskan Native _____
Asian _____
Black or African-American _____
Native Hawaiian or other Pacific Islander _____
White _____

Male _____ Female _____

Ethnicity

Hispanic or Latino _____
Not Hispanic or Latino _____