

VILLAGE OF DEPOSIT
EDRLF INFORMATION AND APPLICATION
Draft June 2017

INTRODUCTION

This document is a summary of rules and Guidelines that govern the Village of Deposit ECONOMIC DEVELOPMENT REVOLVING LOAN FUND (EDRLF). It is designed to give a general understanding of the loan process and should be used accordingly.

GENERAL REQUIREMENTS

1. An applicant must have an idea for a business that will create employment in or near the Village of Deposit (Town of Sanford/Town of Deposit).
2. An applicant must apply to a Financial Institution (i.e. bank or lender). Then, provide a **copy** of the results to the EDRLF committee.
3. Next, an applicant can pick up and fill out an EDRLF application. An applicant must answer all the questions that are applicable. A **business plan** must also be provided. Any questions an applicant is not sure about, they can leave blank. The EDRLF administrator will help you answer these questions at a later date.
4. An applicant must be willing to provide the EDRLF committee with all their personal finances for review. This includes copies of current and previous income taxes. All information is kept strictly confidential.

ELIGIBLE FUNDS

1. EDRLF will fund up to **50%** of your **total** business start up cost. The other 50% must come from the applicant, private investors and other Financial Institutions.
2. The general guideline for loan amounts is, for every full-time job created (35 hours/wk), an applicant is eligible for up to \$10,060 in EDRLF funds. For every part-time job created (20 hrs/wk) an applicant is eligible for up to \$5,000.

TERMS OF POSSIBLE EDRLF LOAN

The terms of an EDRLF loan are directly related to the amount of the loan. Therefore, they can vary from one applicant to the next. Generally, the interest rate is 2% below the current prime. **The interest rate has a floor of 4%**. Interest rates are often renegotiated after a two year period. Again, this is directly related to the amount and length of the loan. The length of the loan is determined not only by the amount of the loan, but also the financial strength (outlook) of the business over a determined period of time. The applicant will be required to ask for a certain loan term, at which the EDRLF committee and other Professional Reviewers will make a recommendation.

TIME FRAME

The EDRLF application process usually takes between sixty (60) and ninety (90) days. The amount of time it takes is directly related to the information you provide the EDRLF committee and other Professional reviewers. If the information you provide is incorrect or incomplete, this will slow down the application until you are able to give the complete and correct information.

APPROVAL PROCESS

The Village of Deposit Board of Trustees makes the final decision of all EDRLF applications. The Village of Deposit EDRLF Committee makes the initial review and makes a recommendation the Village Board of Trustees.

UPON APPROVAL

1. An applicant must be willing to sign personal guarantees as well as provide the Village of Deposit with proper lien positions on equipment, land, buildings, etc.
2. An applicant is responsible for paying all legal fees associated with the closing. This includes filing fees, mortgage fees, attorney fees, and any other costs associated with the closing.

06/20/2017

VILLAGE OF DEPOSIT
146 FRONT ST.
DEPOSIT, NY 13754

www.villageofdeposit.org

EDRLF LOAN APPLICATION

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IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the Village of Deposit EDRLF program. These answers will also be used in preparation of papers in this transaction. Accordingly, an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project should answer all questions accurately and completely.
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Applicant Name:

Applicant Address:

NAME, ADDRESS & TELEPHONE NUMBER OF PERSON(S) AUTHORIZED TO SPEAK FOR THE APPLICANT WITH RESPECT TO THIS APPLICATION:

1. _____

2. _____

3. _____

If applicant is represented by legal counsel, complete the following:

Name of Attorney:

Address of Attorney:

Telephone number of Attorney: ()

PART 1

INFORMATION CONCERNING THE PERSON TO WHOM THE VILLAGE IS TO ISSUE THE LOAN

A. Company Name: _____
Present Address: _____
Employer's ID #: _____

B. If the Company differs from the applicant, give details of relationship:

C. Indicate type of business organization of the company:
_____ **Corporation.** Indicate type of corporation _____
Country incorporated _____
State incorporated in _____
Date incorporated _____
Date authorized to do business in NY _____
Address of principal place of business _____

_____ **Partnership.** Indicate type of partnership _____
Country incorporated _____
State incorporated in _____
Date incorporated _____
Date authorized to do business in NY _____
Address of principal place of business _____

_____ **Sole Proprietorship.**

D. Is the Company, a subsidiary, direct or indirect affiliate of any other organization(s)? ____ Yes
_____ No. If **yes**, indicate name of related organizations(s) relationship.

E. Management of Company:

List all owners, officers, directors and partners or other key management personnel, as applicable.

Name	Address	Office held	Other principle affiliation

Please provide the resume or statements of experience for each person listed above.

1. Is the company or management of the company now a Plaintiff or Defendant in any civil or criminal litigation? _____
2. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation?) _____ Yes _____ No
3. Has any person listed above ever been in receivership or been adjudicated in a bankruptcy? _
_____ Yes _____ No.

If you answered **Yes** to any of the foregoing questions, please furnish the detail in a separate attachment.

F. Principal owners of the company:

Is the company publically held? _____ Yes _____ No.

If **yes**, list exchanges where stock of the company is traded: _____

If **no**, list all stockholders or partners having a 5% or greater percentage interest in the ownership of the company:

Name	Address	Percent of holding

PART 2

DATA REGARDING PROPOSED PROJECT

- A. Project Narrative: Provide a short project description including all capital costs and proposed source of funds.

Example of sources and uses of funds

XYZ Corp expansion project

Land	\$90,000	Equity	\$300,000
Building and site work	\$650,000	Bank	\$1,100,000
Equipment	\$900,000	Loan	\$290,000
Fees and misc.	\$50,000		
Total	\$1,690,000		\$1,690,000

- B. Project site:
1. Approximate size (sq. ft or acre(s)) of the project? _____
 - a. Is a map, survey or sketch of project site attached? _____ Yes _____ No
 2. Are there existing buildings on the project site? ____ Yes ____ No. If **yes**, indicate the number and approximate size (in sq ft) of each existing building.

 3. Are existing buildings in operation? _____ Yes _____ No. If **yes** please describe the current use of each building. _____

Are existing buildings abandoned? _____ Yes _____ No
About to be abandoned? _____ Yes _____ No

4. Utilities serving the project site?

Village water? _____ Yes _____ No

Other? (Describe) _____

Village sewer? _____ Yes _____ No

Other? (Describe) _____

Electric-utility _____ Yes _____ No

Other? (Describe) _____

Heat-utility _____ Yes _____ No

Other? (Describe) _____

5. Present legal owner of the project site? _____

If the company (or any subleases) owns the project site, indicate the date of purchase: _____

Purchase price? _____

If the company is not the owner, does the company (or any subleases) have an option signed with the owner to purchase the project site? _____ Yes _____ No. If **yes**, indicate the date the option was signed with the owner _____

If the company (or any subleases) do(es) not own the project site, is there or will there be, at the time of occupancy of the project by the company, a relationship, legally or by common control, between the company (or any subleases) and the present owners of the project site? _____ Yes _____ No. If **yes**, describe in detail on separate attachment.

6. Zoning district in which the project site is located? _____

Are there any variances or special permits affecting the site? _____ Yes _____ No. If **yes**, list them below and attach copies of all such variances or special permits. _____

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C. Buildings

1. Does any part of the project consist of construction of a new building(s) or structure(s)?
___ Yes ___ No. If **yes**, please indicate the number and size of the new building(s) below:

2. Does part of the project consist of additions and/or renovations to the existing buildings?
___ Yes ___ No. If **yes**, please indicate the nature of the expansion and/or renovations: _____

3. Describe the principal uses to be made by the company, of the building or buildings to be acquired, constructed or expanded: _____

- D. What are the principal products to be produced at the project? _____

- E. What are the principal activities to be conducted at the project? _____

F. Construction status?

1. Has construction work on the project begun? _____ Yes ___ No
Has acquisition of the project commenced? _____ Yes ___ No
2. If **yes**, please describe in detail the approximate extent of construction (and/or acquisition) and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation: completion of foundations, installation or footings, etc: _____

- G. Is the Project compatible with existing zoning and other local laws, ordinances, rules and regulations? _____ Yes _____ No. If **no**, please describe: _____

PART 3

EMPLOYMENT IMPACT

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project at the end of the first, second and third years after the project has been completed (do not include construction workers). _____

B. Have any of the above expenditures already been made by the applicant? ____ Yes ____ No. If **yes**, please explain the details: _____

C. Please list the proposed security for the loan _____

D. Financial references
Please list any banks, lending institutions or credit card companies that currently do business with the applicant or the principals for this project: _____

Please indicate the source and status of the sources of funds required for the project, i.e. bank commitments, equity, SBA, etc.

E. Please explain briefly the question of why you need the funds and why such funds are not available from conventional sources: _____

PART 4

Attach the following financial information to this application:

1. Provide the last 3 years financial statements for the company. For individuals proposing a new business venture, please provide current personal financial statements.
2. Provide a 5 year financial statement of income and expenses and provide the accompanying statements that form the basis of the projections.
3. I agree that verification of any information contained herein, or to be provided in support of this loan request, may be obtained and a formal credit check may be undertaken by any source deemed appropriate by the Village of Deposit.

IN WITNESS WHEREOF the applicant has duly executed the application this ____ day of _____
20____.

Signature of applicant

Date