



Economic Development Revolving Loan Fund (EDRLF) Program Application Package



Mayor Levar Stoney

**City of Richmond
Department of Housing & Community
Development**



**City of Richmond
Economic Development Authority**

Economic Development Revolving Loan Program

Purpose:

To provide access to capital to small businesses, entrepreneurs, developers and non-profits that are seeking to stimulate the revitalization of Richmond's neighborhoods and promote permanent job creation for low to moderate income citizens.

Eligibility:

- Applicant must have all business licenses and the project must be located in the City of Richmond.
- Applicant must have a 20% or more personal investment or equity position in the business.
- Applicant and or business owner may not have tax liens and must be current with the filing of all withholding and other applicable taxes.
- Applicant must not have experienced personal or business bankruptcy within the past twelve (12) months.
- Applicant's business financial statements, tax returns and pro formas should reflect profitable operations at a minimum 1.1 dept service coverage. Operating losses will not be an automatic disqualifier, but the business must demonstrate potential future profitability with a solid business plan or strategy.
- Applicant/borrower must be at least twenty-one or older and must be a legal U.S. citizen or have long-term alien residency status.
- Applicants are required to submit a Business Plan and/or an Executive Summary of the loan request. A Cash Flow Budget is required.

Minimum Loans: \$500,000 - However, exceptions will be considered on a case by case basis.

Interest rates: Pricing based on credit risk and market conditions.

Eligible Loan Purposes: Property and land acquisition, infrastructure costs, construction rehabilitation, working capital, machinery and equipment, and leasehold improvements or other uses that meet eligible activities.

Note: Project must create permanent low to moderate income jobs.

If Interested, Contact: Department of Housing & Community Development
1500 E. Main Street, Suite 400, Richmond, VA 23219

Rick Winston, Credit Officer

Rick.Winston@richmondgov.com P: (804)646-5036 F: (804)646-4351

Denise Lawus, Deputy Director II

Denise.Lawus@richmondgov.com P: (804)646-1766 F: (804)646-6358



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Application Checklist

- Non-refundable application fee of \$500.00 payable to the Economic Development Authority.
- Completed signed application.
- Business resume and/or business plan.
- Three most recent years of company's financial statements (balance sheet, income statement & statement of cash flows), current year to date interims and signed tax returns.
- Three most recent years of signed personal tax returns.
- Personal Resumes of all owners and key management personnel.
- Personal Financial Statements (90 days old or less) for all owners and guarantors (any person owning 20 percent or more of the business).
- Annual cash flow budget for a minimum of 36 months.
- Copy of Certificate of Incorporation or Partnership Agreement, and City of Richmond Business License.
- A written explanation of any past or present credit problems, including judgments, collections, charge-offs, or bankruptcy by either the company or any guarantor.
- Attach a schedule of existing indebtedness.
- Stamp all documents confidential.

***Please remember to completely fill out the loan application.
Failure to do so will delay the processing of your application.***

Further Information Contact:

Department of Housing & Community Development
1500 E. Main Street, Suite 400, Richmond, VA 23219 Phone: (804)646-5036 Fax: (804)646-4351



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Freedom of Information Act Disclosure

The City of Richmond, Virginia makes a promise of confidentiality to the applicant as to confidential, proprietary records, voluntarily provided by the applicant, as provided in Virginia Code Section 2.2-3705.6(3).

Confidential, proprietary records means those records designated below:

- Business Plans
- Company Financial Statements and Tax Returns
- Personal Financial Statements and Tax Returns
- Company Financial Projections and Cash Flow Analysis
- Company and Personal Credit Reports and supporting documentation

Notwithstanding the foregoing, the undersigned understands and agrees that all information furnished in connection with this application for a Contractor Assistance Loan involves the use of public funds and as such may be made public pursuant to the statutes of the United States of America and the Commonwealth of Virginia.

The City of Richmond, Virginia assumes no liability for any disclosure of the records or information in such records pursuant to the order of a court or other governmental authority, and the applicant hereby releases and agrees to hold harmless the City and the EDA in connection therewith.

By signing below, the applicant agrees to all of the foregoing.

Company's Name: _____ Date: _____

By: _____ Title: _____

Guarantor/Co-Borrower: _____ Date: _____

By: _____ Title: _____



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Loan Application

Company Information

Company name _____

Address _____ City _____ State _____ Zip _____

Principal in charge _____ Work phone _____ work fax _____

Secondary contact person _____ Work phone _____ Work fax _____
(IN-HOUSE CONTROLLER OR BOOKKEEPER)

Tax ID _____ email _____

Type of business _____ Date established _____

Type of entity (check one): Proprietorship Partnership LLC Corporation – years business incorporated _____

Number of current employees _____ Estimated number of new employees within the next two years as a result of this loan _____

New Project Information

Street address of project _____

City _____ State _____ Zip _____ County _____

What is the square footage of the new building? _____ What is the square footage your company will occupy? _____

*Please note – we require your company to occupy 51% of an existing building or 60% of a new building.

Projected closing date _____ Realtor's name _____ Phone _____

How will the property be vested (i.e. individually, husband and wife, partnership, LLC, corporation, trust...)? _____

If there are any tenants that will remain in the building, please provide the following information: Also, please have your realtor provide copies of all existing leases.

Tenant name	Square Footage	Lease Expiration	Rent amount

Please provide the following documents and information

Business Information

<input type="checkbox"/>	Business financial statements for the last three years
<input type="checkbox"/>	Projections (form attached)
<input type="checkbox"/>	Interim financial statement dated within the last 60 days
<input type="checkbox"/>	Business debt schedule (form attached)
<input type="checkbox"/>	Federal tax returns for the last three years
<input type="checkbox"/>	Other <u>dfafaf</u>

Legal entity documents (as applicable)

<input type="checkbox"/>	Sole Proprietorship – Fictitious Business Name Statement (filing) and proof of publication with county recorder's stamp
<input type="checkbox"/>	Corporation – Articles of Incorporation, Corporate ByLaws and Stock Certificates
<input type="checkbox"/>	Partnerships (General, Limited or Limited Liability) – Partnership (with all exhibits) and State Registration, if any
<input type="checkbox"/>	Limited Liability Company – Articles of Organization Form (LLC-1) and Operating Agreement
<input type="checkbox"/>	Trust – Trust Agreement with all exhibits

Personal Information (for each individual with 20% or greater ownership)

<input checked="" type="checkbox"/>	Personal tax returns for the last three years
<input checked="" type="checkbox"/>	Personal resume (form attached)
<input type="checkbox"/>	Personal financial statement (form attached)

Real estate information

<input type="checkbox"/>	Real Estate Purchase Agreement
<input type="checkbox"/>	Construction cost budget and/or equipment bids
<input type="checkbox"/>	Existing environmental studies

Total Project Costs

	Enter Dollar Amounts		Enter Dollar Amounts
Purchase of manufacturing equipment.....	\$ _____	Purchase of rolling stock.....	\$ _____
Permanent working capital to pay staff.....	\$ _____	Purchase of software & computers.....	\$ _____
Operating expenses.....	\$ _____	Leasehold improvements	\$ _____
Purchase inventory & manage receivables.....	\$ _____	Government contract receivable financing.....	\$ _____
Acquisition of furniture, fixtures & equipment.....	\$ _____	TOTAL PROJECT	\$ _____

Print

Signature