

# SWEA CITY PROGRAM APPLICATION FORM

COUNTY: \_\_\_\_\_

POPULATION: \_\_\_\_\_

## 1. APPLICANT INFORMATION

Applicant: \_\_\_\_\_

Address: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone No.: \_\_\_\_\_

Signature of Mayor / Board Chairperson: \_\_\_\_\_

## 2. BUSINESS INFORMATION

Business Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone No.: \_\_\_\_\_

## RELEASE OF INFORMATION AND CERTIFICATION

I hereby give permission to the City of Swea City to research the company's history, make credit checks, contact the company's financial institution, and perform other related activities necessary for reasonable evaluation of this proposal. I understand that all information submitted to the City of Swea City relating to this application is subject to the Open Records Law (1989 Iowa Code, Chapter 22) and that confidentiality may not be guaranteed. I hereby certify that all representations, warranties, or statements made or furnished to the Department in connection with this application are true and correct in all material respect. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring economic development assistance from a state agency or political subdivision.

## AGREEMENT TO PAY ADMINISTRATIVE COSTS

I understand that, by making this application, the City of Swea City will incur certain administrative costs including, but not limited to, the cost of lien searches, filing fees, and attorneys fees for document preparation and administration. In the event my application is approved and is, after approval, withdrawn by me, I agree to reimburse the City of Swea City for all actual out-of-pocket expenses incurred by it in the administration and processing of my application. I understand that if my application is denied by the City of Swea City, I will have no obligation to reimburse the city for its expenses incurred in the administration of my application.

**SIGNATURE OF COMPANY OFFICER:**

\_\_\_\_\_

## REVOLVING LOAN FUND APPLICATION FOR THE CITY OF SWEA CITY

### GENERAL INSTRUCTIONS

1. Fill out the application completely, if any questions are left unanswered or required attachments are not submitted, an explanation must be included.
2. Only typed applications will be accepted and reviewed. Send the original plus one copy of the completed application form.
3. Any inaccurate information of a significant nature may disqualify the application from considerations.
4. Return the completed application with all required attachments to: City clerk, City of Swea City.

### ELIGIBILITY REQUIREMENTS

1. Generally, a minimum ratio of one permanent job created or retained for every \$10000 of grant/loan funds.
2. Generally, the proposed project must create or retain a minimum of one job, job creation projections are for a two-year period;
3. Grant/loan funds shall provide 100% of the first \$10,000, and then shall provide 35% of the financing for any project up to a maximum of \$50,000;
4. There must be evidence of new private equity injected into the project;
5. There must be evidence that Revolving Loan Funds are necessary to make the proposed project feasible;
6. There must be evidence that the project is feasible and that the business requesting assistance can continue as a "going concern" in the foreseeable future without additional or ongoing assistance;
7. There must be evidence that there will be no significant negative impacts on other businesses or employers in the City;
8. There must be evidence that no significant negative land use or environmental impacts will occur as a result of the project.
9. At least fifty-one (51%) of the permanent jobs created or retained by the proposed project will be taken by low and moderate income individuals.

### 3. DESCRIPTION AN HISTORY OF THE BUSINESS

Issued to be addressed:

Is this a start-up or an expansion of an existing business?

Is this a corporation, partnership or sole proprietorship?

Type of industry.

Description of product or service.

Description of market.

**NOTE:** Profit and loss statements and balance sheets for the past three years of operation and projected profit and loss statements and balance sheets for three years into the future must accompany this application.

### 4. PROJECT DESCRIPTION

Provide a narrative summary of the proposed project. This description should include the following:

Is this a company relocation, plant expansion or remodeling, new product line, refinancing, etc.?

The purpose for which the financing is to be used,

The project schedule, and

Anticipated short and long term results of the proposed project on the business.

Applicants should be aware that, if a grant award is made, job figures given in this application will become a performance measure in the grant contract. Failure to achieve the number of jobs as specified will result in sanctions against the business, including reimbursement of funds.

### 17. LOCAL BENEFIT

The narrative description of local benefit of this project should discuss the following:

The community's need for assistance to attract the business;

Current employment conditions and the impact of this project on those conditions;

Use of other programs to support/assist the project;

The impact on the local tax base (i.e. property tax, sales tax, etc.); and

Cost to the community for provision of increased services.

### 18. WHY IS ASSISTANCE NEEDED

There are two general justifiable reasons to Revolving Loan assistance.

Financing gap-the business can raise only a portion of the debt and equity funds necessary to complete the project. A gap between sources and uses exists and a Loan is needed to fill the gap.

Rate of Return-the business can raise sufficient debt and equity to complete the project, but the returns are inadequate to motivate an "economic person" to proceed with the project. Project risks overweight the rewards.

Identify the reason why Revolving Loan assistance is needed to complete this project and indicate what measures were analyzed in determining the amount and form of assistance needed.



13. Will any of the current employees lose their jobs if the project does not proceed?  
Yes\_\_\_\_\_ No\_\_\_\_\_ If yes, how many, explain:

Of these, how many are low and moderate income (LMI) persons? (See employee certification form attached.)\_\_\_\_\_

14. What Iowa companies does the business expect to sell to which currently buy from non-Iowa companies? What percent of your sales will fall in this category?

15. What other Iowa companies could be considered to be your competitors?

16. How will this project benefit the city/county, etc?

17. Explain why assistance is needed from the state and why it cannot be obtained elsewhere?  
(Refer to instructions)

18. Explain request for specific type of assistance (forgivable loan vs. direct loan, etc.)  
If market rate loan is not sufficient, why not?

19. What is the business financial contribution to the project? Please explain clearly.

20. What type of security and in what amount will the assisted business provide the state?  
If no security is offered, an explanation must be provided.

Mortgage_____	\$_____	What seniority or Position?_____
Lien on _____	\$_____	What seniority or Position?_____
Personal Guarantee_____	\$_____	Other _____ \$_____

21. SUMMARY OF PROJECT COSTS AND PROPOSED FINANCING SOURCES

Summarize the project costs and the sources of financing for each cost. Attach appropriate documentation of all project costs and sources of financing.

## SUMMARY OF PROJECT COSTS AND PROPOSED FINANCING SOURCES

22.(a)

USE OF FUNDS		FINANCING BY SOURCE <small>(Use Sources as Identified in Question 22(b))</small>					
ACTIVITY	COST	SOURCE A	SOURCE B	SOURCE C	SOURCE D	SOURCE E	SOURCE F
1. LAND ACQUISITION							
2. SITE PREPARATION							
3. BUILDING ACQUISITION							
4. BUILDING CONSTRUCTION (1)							
5. BUILDING REMODELING (1)							
6. MACHINERY & EQUIPMENT							
7. FURNITURE & FIXTURES							
8. WORKING CAPITAL							
(detail:)							
9. OTHER							
10. ADMINISTRATION							
TOTAL:							

22.(b)

### TERMS OF PROPOSED FINANCING

CODE: SOURCE (include all sources in Question 22(a))	AMOUNT	TYPE (2)	RATE	TERM
Source A: STATE ASSISTANCE (EDSA)				
Source B				
Source C				
Source D				
Source E				
Source F				
TOTAL:				

(1) Federal Labor Standards may apply which might affect the project costs.

(2) For example: Forgivable Loan, Direct Loan, Grant, Equity, etc.

22. When would you like your first payment to be do you want monthly, quarterly, semi-annual payments?

23. Has the business been cited or convicted for violations of any laws or regulations (including environmental or safety regulations)?\_\_\_\_\_ If yes, please explain.

24. Do current or proposed business operations generate solid or hazardous wastes? \_\_\_\_Yes  
\_\_\_\_No

25. Are underground tanks (whether or not in current use) for the storage of petroleum products, agricultural or other chemicals, waste oil or other liquid waste, or any other inflammable, corrosive, reactive or explosive liquid or gas located on the business site?\_\_\_\_Yes\_\_\_\_No If yes, please explain.

26. Will you be storing above -ground liquid gas, as in question 24, or any inflammable, corrosive, reactive or explosive solid, in tanks or otherwise for nay length of time or any purpose on or about your business premises? \_\_\_\_Yes \_\_\_\_No If yes, please specify.

27. Will you be treating, transporting or disposing of any liquid, gas or solid included in questions 24 and 25 above, either on or about your business premises or at a landfill or other treatment facility or upon any public street or highway, or on any waterway or body of water, or in any aircraft?  
\_\_\_\_Yes \_\_\_\_No (If yes, please specify the substance and what you will be doing with it.)

28. If the business generates solid or hazardous waste, please submit a copy of any in house audits (or in lieu of n-house audits, a waste management authority audit) and management plans to reduce the amount of the waste and to safely dispose of the waste. If this audit and management plan is not submitted, the Department may not provide assistance until it is submitted.

## LIST OF POSITIONS FOR JOBS TO BE CREATED/RETAINED

(e.g., 5 welders, 3 assemblers, 1 office worker)

JOB TITLE	SKILLS, EDUCATION EXPERIENCE NECESSARY	HOURLY WAGE	NUMBER FULL-TIME	NUMBER PART-TIME	TOTAL FTE

### EMPLOYER CERTIFICATION FORM

I certify that at least 51% of the positions created or retained by \_\_\_\_\_ as a direct result of the Community Development Block Grant Economic Development Set-Aside (EDSA) Program will be taken by or made available by first consideration activities, to individuals from low and moderate income households.

Name of Firm

\_\_\_\_\_  
Signature of Employer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Attest

\_\_\_\_\_  
Date