

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 In the event my application is approved and is, after approval, withdrawn by me, I agree to reimburse the City of Swea City for all actual out-of-pocket expenses incurred by it in the administration and processing of my application.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.

3. DESCRIPTION AND HISTORY OF THE BUSINESS (if complete description is attached, please summarize here.)

4. PROJECT DESCRIPTION (e.g. company relocation, plant expansion or remodeling, new product line, refinancing, etc.)

5. What percentage of the company's sales will be outside the State of Iowa?

6. What percentage of the company's total operating expenditures (including wages and salaries) will be spent within the State of Iowa?

7. What date will the project begin? _____
Be completed? _____

8. Has any part of the project been started? ___Yes___No If yes, please describe:

9. How many full-time employees are currently employed by the company? (Total employment including all locations, subsidiaries, divisions, etc., worldwide) _____

If this company has more than one facility, how many full-time employees are there at the facility affected by this proposal? _____

How many part-time employees? (Documentation of the number of employees is needed (i.e., copy of the payroll) _____

10. If awarded funds, how many new, full-time employees will you add to the payroll within 12 and 24 months of the award date? If the business fails to create the jobs pledged below by the end of the project period (usually 24 months from the date of the EDSA award), it will be required to reimburse EDSA funds for the employment shortfall. The preparer of this application should ensure that the business is aware of this provision before asking the business to sign the application form.

Full time: 12 months _____ 24 months _____
cumulative

Part time: 12 months _____ 24 months _____
cumulative

11. What is the estimated annual payroll for the new employees resulting from this project?
1st year _____ 2nd year _____ 3rd year _____
cumulative cumulative

12. What is the average wage rate (not including fringe benefits) projected to be for the new employees?

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