



CITY OF MOLINE I-74 LOW INTEREST LOAN PROGRAM OVERVIEW

OBJECTIVES

- Recognize the City's interdependence with commerce
- Recognize the importance of retention of City of Moline's sales tax base
- Provide financial assistance to the City of Moline businesses along or near the I-74 Bridge during the State of Illinois I-74 Bridge Project
- Encouraging businesses to remain within the City of Moline
- Encouraging our citizens to support our businesses
- Share with the community the benefits from past loan programs
- Interest Rate proposed is 1%
- Supplement the current loan program (Revolving Loan Program) by focusing upon working capital needs during this time of construction

STRATEGY

- As with the other loan programs offered by the City, this low interest loan will be made available to the geographic area within the corporate boundaries of the City of Moline
- Interest only repayment for 5-years
- Minimum loan requests of \$2,500 and maximum of \$10,000 per entity
- City's exposures limited to \$100,000
- Personal guarantee by the loan recipient
- Only businesses within the corporate boundaries of Moline are eligible

RESPONSIBILITIES/EXPECTATIONS

CITY STAFF

- Process and review the loan application
- Serve as a point of contact for the loan applicant

Applications should be typed or printed. Be concise but complete in your narrative descriptions. Additional pages may be used.

PROVISIONS

The provisions of the low interest loan program are as follows:

1. Loan program is available now until the I-74 Bridge ribbon cutting.
2. The City of Moline has contributed \$100,000 to fund the I-74 Low Interest Loan Program with funding source from the Revolving Loan Fund.
3. Only businesses with the B-2 zoning district are eligible within the corporate boundaries of the City of Moline.
4. If applicable, applicant must comply with all applicable building and zoning codes and must obtain a building permit at his/her own expense.
5. Application may be made only once per year.
6. Loans will be made on a first-come, first-served basis.
7. The loan will be granted at an interest rate of 1%. The maximum loan allowance may not exceed \$10,000. The structure of the loan shall be a five (5) year term balloon pay-off.
8. The life of the loan shall not exceed five (5) years.
9. For additional information, including a copy of the City of Moline Revolving Loan application guidelines, please contact:

Tara Osborne
Grant & Project Accountant
City of Moline
619 16th Street
Moline, IL 61265

(309) 524-2035
tosborne@moline.il.us

PROCEDURAL STEPS

- Step 1:** The merchant/business owner/property owner fills out the loan application and forwards the application to the City of Moline.
- Step 2:** City staff review the applications and supporting documentation to determine if applicant is eligible for program participation.
- Step 3:** If approved by the Director or his/her designee, City staff processes a letter of approval to the applicant and applicant's file at City Hall.
- Step 4:** Applicant's file will remain active until all loan obligations have been met.

7. List the names and other information regarding individuals primarily responsible for the management of the business.

<u>Name</u>	<u>Position</u>	<u>% Ownership</u>	<u>Date Started With Business</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

8. Description and History of the Business.

History and background information should include: date established, dates of major changes in business, employee and sales growth, dates new products/service lines were established and other major influences on the products produced or services provided.

B. FUNDING INFORMATION

9. Funding Description.

Describe all elements of what will this additional funding be used for.

Give estimated schedule. Include any changes in business activity, what operations will be initiated or expanded, how this relates to existing operations, evidence of the financial feasibility, changes in products or services offered, etc.

10. Creation/Retention (Full-Time Equivalents)

_____ Current number of employees. (Entire Company)

_____ Number of permanent jobs retained as a result of funding.

_____ Number of permanent jobs to be created within period of loan.

<u>Types of Jobs Created</u>	<u>Average Rate of Compensation</u>	<u>Average Rate of Fringe Benefits</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

<u>Types of Jobs Retained</u>	<u>Average Rate of Compensation</u>	<u>Average Rate of Fringe Benefits</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

List fringe benefits _____

11. Has any Portion of the Capital Item already been paid for?

_____ No

_____ Yes (If "Yes", please describe)

C. SOURCE AND USE OF FUNDS

12. Justification for Public Financing.

Demonstrate impact of bridge closure on cash flow (attach supporting documentation). (i.e. last 24 month of cash flow, 3-4 years of tax returns showing actual impact on the profit of business.)

D. ASSURANCES

All information in this application and the attached narratives are true and complete to the best of my/our knowledge. I/We agree to pay or reimburse the County/City for the cost of any surveys, title or mortgage examinations, appraisals, etc.

I/We, the undersigned, authorize the County/City to obtain verification of any information contained in the application from any source named herein.

I/We, the undersigned, understand that I/we are working with a public body and, therefore, this Application, all documents submitted are subject to the Illinois Freedom of Information Act, any meetings held are subject to the Illinois Open Meetings Act, and to any and all applicable laws.

If Applicant is submitting documents that contain any trade secrets or commercial or financial information, then Applicant needs to state such in writing and what they claim as proprietary, privileged, or confidential, and also state that disclosure of the trade secrets, or commercial or financial information would cause competitive harm to the Applicant. Applicant should mark any pages of documents as confidential.

If Applicant is a Corporation:

President

Corporate Secretary

Applicant's Signature

Typed Name of Applicant