

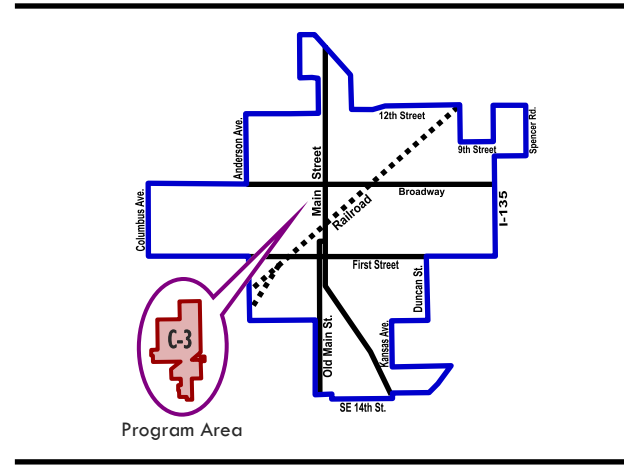
# APPLICATION PROCESS

- 1) Contact the Harvey County Economic Development Council (EDC) at 316-283-6033 or 1-800-648-7759 to discuss your financing needs
- 2) Obtain an application from the EDC's office.
- 3) EDC will review the completed application with the applicant
- 4) The RLF will evaluate the application and make a credit decision



## Program Goals

- ◆ To further the economic revitalization of downtown Newton.
- ◆ To promote and assist the growth and development of business within Newton and Harvey County.
- ◆ To stimulate business opportunity and development in Newton and Harvey County as measured by increased employment, increased local tax basis, increased economic diversity and decreased net out-



## QUESTIONS?

Contact...  
Mickey Fornaro-Dean  
Harvey County Economic  
Development Council, Inc.  
500 N. Main, Suite 109  
Newton, KS 67114  
316.283.6033  
1.800.648.7759



## DOWNTOWN NEWTON SMALL BUSINESS REVOLVING LOAN PROGRAM



Harvey County Economic  
Development Council, Inc.  
500 N. Main  
Newton, Kansas 67114  
316.283.6033

# Downtown Newton Revolving Loan Fund

## Eligibility

- ◆ Businesses in the restaurant, retail and entertainment field located in the C-3 Central Business District (see map on back panel)
- ◆ The business must have a written business plan with cash flows and projections
- ◆ The business must...
  - 1) demonstrate a need for financial assistance;
  - 2) demonstrate or project the ability to succeed; and
  - 3) create or retain employment opportunities in Newton
- ◆ The business must identify source(s) of private funding



## Uses of Funds

- ◆ Priority will be given to financing for lease holdings and equipment, however working capital can also be financed
- ◆ The RLF dollars must be necessary and appropriate based upon the review of other possible sources of financing, and must not unduly enrich the business
- ◆ The RLF dollars must be reasonable relative to the achieved public benefit

## Terms & Conditions

- ◆ Generally, loans will not exceed \$25,000
- ◆ Financing will not exceed 15 years
- ◆ Working capital loans will be financed on a basis of 3 to 7 years
- ◆ Interest rates will be fixed and negotiated on an individual basis
- ◆ Loan recipients must accept mentoring and/or technical assistance
- ◆ All loans must be secured with any/all available assets and personal guarantees from the borrowers

## Fees & Other Requirements

- ◆ At least one (1) job must be created or retained for each \$25,000 in RLF dollars received
- ◆ Generally, RLF dollars may not represent more than 25% of the total financing for the project
- ◆ At least 10% equity is generally required
- ◆ At least 51% of the jobs created or retained must benefit persons of low to moderate income
- ◆ A processing/application fee of 1% of the loan amount must be paid by the applicant before the application is reviewed by the loan board
- ◆ An annual servicing fee equal to ½ of one percent of the declining loan balance will be charged to each borrower
- ◆ Bank financing is encouraged and preferred with each borrower, but is not required
- ◆ Each borrower will be required to submit annual financial statements to the RLF committee (balance sheet, P & L and tax returns)