

City of Rome  
ECONOMIC DEVELOPMENT  
REVOLVING LOAN FUND

INSTRUCTION SHEET and APPLICATION

Listed below are the criteria for financing through the RLF Program:

1. The business must be located within the corporate limits of the City of Rome.
2. The business must commit to create or retain jobs. A minimum of 51% of the employment opportunities must be filled by low income persons.
3. The business will be required to obtain at least 50% of project costs from a private lender or other source.
4. 5% Personal equity injection will be required.
5. The business must demonstrate a reasonable chance for success to the Loan Review Committee using Market Study, Pro Forma, Business Plan and other documentation.
6. Collateral may be required, as well as personal and/or corporate guarantees.
7. The applicant is responsible for all loan and legal fees associated with an approved loan.
8. The information that you provide must be truthful and accurate to the best of your knowledge. Failure to provide same constitutes fraud and will result in the immediate termination of the loan process.

The process requires that the applicant fill out completely the attached loan application and submit all required information. Failure to provide any information requested may be grounds for denial.

Once all information is received, it will be forwarded to the Revolving Loan Fund (RLF) Loan Review Committee for review.

If the application meets the criteria and underwriting requirements, it will be submitted to the Community Development Services Committee and, if approved there, to the full Rome City Commission, at a regular meeting, for their approval.

If the application is denied, you may request in writing why the application was turned down.

We hope that your application is competitive and will lead to successful employment opportunities in our community.

APPLICATION FORM

**GENERAL INFORMATION**

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

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

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

Telephone Number: \_\_\_\_\_

Tax ID Number(s): \_\_\_\_\_  
Personal and Corporate

Date Business Established: \_\_\_\_\_

Bank of Business Account: \_\_\_\_\_

Loan Officer / Account #: \_\_\_\_\_

Type of Organization:      Sole Proprietor \_\_\_\_\_ Partnership \_\_\_\_\_ LLC \_\_\_\_\_  
    C Corp \_\_\_\_\_ Sub-S Corp \_\_\_\_\_

Number of Permanent Jobs to be Created/Retained: \_\_\_\_\_

Job Title(s)	Wage/Pay	Benefits

**MANAGEMENT**

Principles:      List partners and stockholders with 20% or more ownership

<u>NAME</u>	<u>ADDRESS</u>	<u>% OWNED</u>

Is the Applicant the owner of the business?                      Yes                      No

**SOURCE AND USE STATEMENT**

**PROPOSED FINANCING SOURCES**

Bank Loan	\$ _____	% of total _____	%
RLF Loan	\$ _____	% of total _____	%
Applicant/Equity	\$ _____	% of total _____	%
Other	\$ _____	% of total _____	%
<b>Total Sources</b>	<b>\$ _____</b>	<b>% of total _____</b>	<b>%</b>

TOTAL PROJECT COST

Acquisition of M&E	\$ _____
Real Estate Acquisition	\$ _____
Renovation/Construction	\$ _____
Working Capital	\$ _____
Other _____	\$ _____
 Total Project Cost	 \$ _____

BUSINESS INFORMATION

Do you have a business plan?            Yes \_\_\_\_\_    No \_\_\_\_\_

Your business plan should include:

1.     A brief history of your business.
2.     Detailed description of the project, the use of loan proceeds, including written estimates of proposed costs from suppliers and contractors and the projects anticipated completion date.
3.     Financial Information
  - a.     Current financial information (within the last 90 days).
  - b.     Financial Statements for the previous three (3) years.
  - c.     Personal Financial Statements (for each owner/principal).
  - d.     Cash Flow Pro Forma (3 years minimum).
  - e.     Schedule of business debt.
4.     Market Analysis
  - a.     Describing your product.
  - b.     Describing and defining your market area
  - c.     Projected return on investment
5.     Proof of other funds
  - a.     Letter from participating bank stating loan terms and conditions.
  - b.     Letter from bank stating bank account balance for equity contribution.
6.     A description of security offered for this loan request.
7.     Personal resume of each owner/principal.
8.     Credit references

APPLICANT’S CERTIFICATION

I/We certify that all information in this application and all information furnished in support of this application are true and complete to the best of my/our knowledge and belief. Verification may be obtained from any source named, and I/we agree to submit to personal and business credit checks.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

ECONOMIC DEVELOPMENT AND REVOLVING LOAN FUND  
SUPPLEMENTAL INFORMATION AND DOCUMENTATION  
(To be completed by Applicant and RLF Administrator)

Applicant:  
RLF Amount Requested:  
Total Project Cost:

1. Job Creation/Retention

Total number of existing jobs: \_\_\_\_\_  
Total number of jobs to be created:\* \_\_\_\_\_  
Total number of jobs to be retained:\* \_\_\_\_\_  
Number of jobs created for low income persons:\*\*\* \_\_\_\_\_  
Percent of total: \_\_\_\_\_  
Number of jobs retained for low income persons:\*\* \_\_\_\_\_  
RLF dollars per job created: \_\_\_\_\_  
RLF dollars per job retained: \_\_\_\_\_

Describe the methodology to be utilized for ensuring the number of jobs listed above for low income persons: (provide documentation where applicable). Applicants should note that jobs paying minimum wage do not necessarily qualify as low income jobs. Individuals family income levels adjusted for family size at the time of application for employment determine qualification. \_\_\_\_\_

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*\*Permanent full-time positions of at least one year's duration (except in certain cases of agricultural businesses whose operations are necessarily seasonal, the RLF will consider as permanent any full-time job of at least twelve (12) consecutive weeks' duration, and will count it as the equivalent of one-fourth (1/4) of a permanent job. For example, if an agricultural business proposed to employ 100 persons, each for twelve (12) full-time consecutive weeks, the number of jobs created would be counted as 25. Likewise, were 100 persons to be employed, each for 24 full-time consecutive weeks, the number of jobs created would be counted as fifty (50).*

*\*\*For retained jobs, the application should contain summary information on the number and percent of the retained jobs that are held by low and moderate income individuals. This would normally require that workers be surveyed prior to the application being submitted.*

*\*\*\*Must meet the 51% threshold for low income persons (i.e., at least 51% of the jobs created or retained must be for low income persons).*

2. Private Investment\*

Dollar amount of private investment: \$  
Source(s):

Private investment as percent of total project:  
Private to RLF funds leverage ratio:  
Private to RLF/other public funds leverage ratio:

\*Private investment must be documented by letters of commitment.

3. For LLC's, a copy of your Operating Agreement is required.
4. For corporations, a copy of your Articles of Incorporation and a copy of your Bylaws are required.

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(To be completed by RLF administrator)

5. Recapture Provisions

Describe the rate, terms, period and other applicable elements of the RLF loan's repayment (be specific and detailed); also describe what entity will be responsible for servicing the RLF loan:

Any direct assistance to private for profit entities must be "recaptured".

SAMPLE COMMITMENT LETTER  
REVOLVING LOAN FUND (RLF) PROGRAM

(To be completed on the letterhead of the lending institution and addressed to the developer industry, company, business, corporation, etc.)

Dear:

Please be advised that we have reviewed your financial statements and project proposal regarding financing for (describe proposed project, specify construction, expansion, etc.) in (location). It is our understanding that (applicant) has applied for \$(amount) in the City of Rome Revolving Loan fund to (describe use of funds) as part of the project.

Based on the financial and project feasibility information provided, we feel the RLF funds for (describe project) would make this a viable project and hereby commit to provide (describe amount and type of financing) for (describe purpose of financing). This commitment has been approved by our (loan committee board, etc.) and is subject to the following terms and conditions: (specify terms and conditions – receipt of the grant award can be a condition).

Sincerely,

(Signature of official or officer  
authorized to make commitment)

SAMPLE COMMITMENT LETTER  
REVOLVING LOAN FUND (RLF) PROGRAM

COMMITMENT TO CREATE/RETAIN JOBS

(to be completed on company letterhead and addressed to RLF Administrator)

Dear :

Contingent only upon the receipt of financing under the City of Rome Revolving Loan Fund program as provided for in the application of (developer, industry, company, business, corporation, etc.) the (industry) hereby commits to the (locality) to (describe proposed project, specify construction, expansions, etc.) at a total cost of approximately \$(amount). The \$(amount) in RLF funds will be used to (describe use of funds) as provided for in the application.

(Developer, industry, company, business, corporation, etc.) further commits to create and/or retain (specify number) full-time permanent jobs, (number) of which will be for low income persons. We will initiate project activities on or about (date) and complete the same on or about (date). We will provide the applicant with a construction schedule upon initiation of project activities and documentation of hiring, including evidence of low income hiring, within ninety (90) days of project completion.

(Developer, industry, company, business, corporation, etc.) also hereby commits to repay the \$ (amount) in RLF funds as provided for in the application.

Sincerely,

(Signature of official or officer  
authorized to make commitment)