



MEEKER

DEVELOPMENT CORP

www.meekercorp.com

Revolving Loan Fund (RLF)

Eligible Businesses:

May be either start-ups or expansion projects. The types of businesses include, but are not limited to, those engaged in:

- Most for profit businesses that provide employment opportunities, including tourist and recreational facilities
- Technologically innovative industries
- Value added manufacturing
- Businesses within economic asset sectors for the region such as; renewable energy projects and food production sectors
- Business growth that leads to greater individual and community prosperity
- Businesses whose markets extend beyond the region

Loan funds are **NOT** available for the following activities or businesses:

- Loans to city or governmental units
- Projects for which market rate financing is available from other sources
- Debt refinancing
- Businesses who have not repaid prior loans with the RLF Fund
- Projects outside of Meeker County
- Community facilities and charitable organizations
- Businesses which are not compatible with our goals and mission statement.
- Projects for adult-oriented pornographic activities, speculative buildings, gaming establishments, tattoo parlors or body piercing establishments or amusement centers.
- Projects from a religious organization for the purpose of carrying out its religious mission or purpose, or from a political organization for the purpose of carrying out its political mission or purpose

Eligible Uses of Loan Funds:

All costs demonstrated as essential for the project, including working capital and/or assets (land, building, machinery and equipment)

Business Planning:

A business must have some expertise in or should have assistance with product development, marketing and management. If assistance is needed, applicants can find support from available business development professionals such as the state's business finance specialist, regional development commission staff, community development personnel, or small business development consultants. Contact MCDC if you are unsure about how to access these resources.



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Revolving Loan Fund (RLF) cont.

Loan Interest and Terms:

- Amount: up to one-half (50%) of project costs, \$150,000 maximum.
- Rate: Interest rate will be determined at the time of application and will be fixed through the term of the loan.
- Terms: The loan amortization will match the tax depreciable life of the asset being financed with the loan proceeds. Generally, loans will mature (balloon) in five years.
- The RLF Loan Program will be collateralized.
- Project Structure: 10%-25% Equity (Expansion)
 - 25% Equity minimally for new/start up
 - 25%-50% Financial Institution
 - 25%-50% Revolving Loan Fund

Private Investment:

An approved loan from the RLF fund must be matched by at least an equal or greater amount of new private funds invested or loaned to the company. To serve as a bona fide match, these private funds cannot be existing debt or equity dollars from prior financing. These dollars include a combination of equity and private lender financing.

Job Creation:

As a general requirement, it is preferred that one job be created for every \$10,000 of its loan proceeds. The jobs should principally benefit low-income people by providing full-time employment for them.

Financing Gap:

Loans can only be made to businesses that can substantiate a financing need due to one or more of the following conditions:

- Inadequate private lender financing.
- Inadequate equity by the owners of the business.
- Inability to pay market interest rates or term requirements.

For additional information please contact:

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This institution is an equal opportunity provider.