



COUNTY OF PEORIA, ILLINOIS

# GOVERNMENT ASSISTANCE PROGRAM (GAP)

REVOLVING LOAN FUND (RLF)

PROGRAM GUIDELINES,  
RECAPTURE STRATEGY  
AND  
APPLICATION FORMS

Funded through the State of Illinois Community Development Assistance Program (CDAP)

**Updated and Approved by the Peoria County Board on August 13, 2015**

**Note:** this revised document is a compilation of the Peoria County GAP Loan Policy (as amended), the "Peoria County Revolving Loan Fund Recapture Strategy" and the "Revolving Loan Fund Recapture Guidelines for Peoria County". This compilation was created to avoid duplication and inconsistency amongst the various policies.

## **A. REVOLVING LOAN FUND GOALS AND OBJECTIVES**

The County of Peoria supports a policy of non-discrimination in keeping with Federal and State laws and regulations, and in keeping with the County of Peoria's goals to serve the economic development needs of the County equally and fairly. The GAP RLF provides direct financing up to \$150,000 to businesses in cooperation with private sector lenders. The purpose of this program is to help businesses create or retain jobs as well as an opportunity to expand. Goals and objectives are to:

1. Stimulate economic growth in the Peoria County by assisting with retention and growth of the existing industrial and commercial base, providing needed capital to new start-up businesses, encouraging the development of minority and female owned businesses and providing an incentive for established businesses to relocate to Peoria County.
2. Assist new or existing Peoria County businesses to create and retain jobs.
3. Ensure that jobs created or retained by business applicants benefit a minimum of 51 percent low-to-moderate income persons in the area.
4. Increase the Peoria County property tax and sales tax base.
5. Provide businesses with the opportunity to expand.
6. Encourage and leverage loans and investments to businesses by area private financial institutions.

Use of the funds is governed by a variety of rules and regulations mandated by the State and Federal agencies that provided the original grants to Peoria County Board as well as policies adopted by Peoria County.

## **B. REVOLVING LOAN FUND STRATEGY**

1. **TARGETING OF FUNDS:** The funds will be targeted to assist existing industrial and commercial base, start up businesses, female and minority owned firms and established businesses that will relocated to Peoria County on a first come, first served basis as Peoria County expects to receive more applications than available funding will cover. Applications that demonstrate the greatest potential for job creation and meeting the goals and objectives of the fund will be given the highest priority.
2. **ELIGIBILITY:** Any industrial, commercial, or service related business located in Peoria County, which will create and/or retain jobs. Projects selected will attract sizeable private investment, have solid commitment to create or retain permanent jobs and demonstrate financial feasibility and benefit to low to moderate income persons. Further there must be evidence that the project and related investment would not occur without GAP involvement. Preference will be given to projects in manufacturing, service and distribution that attract principal revenues from a customer base outside of Peoria County. The County of Peoria is also an eligible of borrower, but only for infrastructure improvements (ie., water, sewer, and roads) which will assist a business to retain or create jobs.
3. **ELIGIBLE USES OF FUNDS:**
  - a. Site development/infrastructure extension costs
  - b. Construction of new facility or additions
  - c. Renovation of existing facilities
  - d. Leasehold improvements
  - e. Purchase of new or used machinery or equipment
  - f. Working capital
  - g. To provide loan guarantees and interest supplements through the use of program income for revolving loan fund loans.

- h. For local units of government, Public Infrastructure improvement projects when the activities will directly result in the creation and/or retention of jobs by a specifically identified for-profit business.
- i. For local units of government, Community Development Block Grant (CDBG) eligible activities (public improvements on public property except for buildings where the general conduct of government is held) showing a 51% low-to-moderate income benefit. Must have prior written approval from the Illinois Department of Commerce and Economic Opportunity.

4. INELIGIBLE USES OF FUNDS:

- 1. Refinancing existing, private debt.
- 2. Financing the relocation of an industry or business from one area of the State to another (exceptions require prior written approval from the Department and shall be made in those instances in which a business can demonstrate that it can no longer operate in its existing location and that jobs would be lost to the State if financing is not received);
- 3. Financing any activities for speculative activities (i.e., commercial/retail development without lease agreements) or purposes;
- 4. Conducting general marketing activities;
- 5. Preparing a CDAP application; or
- 6. Forgiveness of loans or other financial assistance.
- 7. On projects where the transfer of firms and jobs from a location within the State of Illinois using Peoria County RLF proceeds takes place, unless it can be shown that proposed jobs/job opportunities will be lost to another state or country.

5. DEFINITIONS:

Prime Rate: That prime rate published by the Wall Street Journal the day the loan is approved by the appropriate standing committee.

Term: Length of the loan, in years, repaid in monthly principal and interest payments.

Project Costs: All costs (land-construction-machinery-working capital) to complete the project.

Full Time Equivalent: 2080 hours per year or 2 part-time jobs totaling 2080 hours.

Collateral: Assets (mortgage 1st or 2nd) (inventory) (receivables) (equipment) (personal guarantees) pledged to repay the loan.

6. INTEREST RATE: The interest rate charged on all CAP loans will be fixed at 3% below the prime rate at the time of the appropriate standing committee's approval of the application. However, in no instance shall the rate charged on GAP loans be less than 3%.

7. TERM OF LOAN: The participating lender and the applicant/borrower may negotiate any mutually acceptable loan terms. The term of a Peoria County RLF program loan shall generally be determined by the following classifications:

<u>Purpose</u>	<u>Maximum Term</u>
Infrastructure (water, sewer, roads)	15 years
Land and/or Building Acquisition	20 years
New Construction	20 years
Purchase of Machinery and/or Equipment	10 years
Leasehold Improvements	7 years
Building Rehab or Renovation	7 years
Purchase of Inventory	7 years
Working Capital	7 years

In no event shall Peoria County RLF participation exceed the term granted by the participating lender for the same class of asset.)

8. MINIMUM/MAXIMUM LOAN AMOUNT: The minimum Peoria County RLF Program Loan amount shall be \$35,001 and the maximum Peoria County RLF Program Loan amount shall be \$150,000. RLF Program Loans will be made on a matching basis. The RLF Committee may waive these limits at its sole discretion.
9. RESOURCE LEVERAGING and LOAN STRUCTURE: The loan match may be in the form of owner equity, bank loans or supplier financing as shown in the following loan structure. All matching funds shall be financial contributions (cash). Funds spent prior to approval of the RLF application will not count as match. A minimum match of 3:1 will generally be required. The 3:1 match may be waived by the RLF Committee, but in no case will the match be less than 1:1. Therefore, Peoria County's participation will, generally speaking, be limited to 1/4 of the project.

<b>3:1 Match</b>	65%	Bank or Other Investor	First Collateral Position
	25%	GAP (County)	Subordinated Collateral Position
	10%	Company or Owner Equity	

<b>1:1 Match</b>	40%	Bank or Other Investor	First Collateral Position
	50%	GAP (County)	Subordinated Collateral Position
	10%	Company or Owner Equity	

10. JOB CREATION/RETENTION: For every \$15,000 of revolving funds provided, one full time equivalent (FTE) job should be created or retained. (FTE jobs are positions consisting of a minimum of 1,950 hours worked a year). FTE is defined as 1,950 hours a year (35 hours a week). At least fifty-one percent of those jobs created/ retained must benefit low-to-moderate income persons. The applicant must agree to work with the local Workforce Investment Act service delivery area office, and the regional Illinois Employment and Training Centers to place the economically disadvantaged persons in the new positions created through the Peoria County RLF Program. This requirement may also be addressed by furnishing completed employee certification forms found in the application. First preference in hiring must be given to the unemployed and those eligible economically disadvantaged persons as defined by federal guidelines. The low-to-moderate income guidelines and how to meet them may be obtained by contacting Peoria County's Economic Development Department.
11. COLLATERAL REQUIREMENTS: The participating lender shall have the primary responsibility for determining the applicant's credit risk and, if it requires, shall be entitled to the senior lien or security interest on any collateral given as security. In the case where Peoria County secures the RLF loan with identical collateral, its lien or security interest shall be subordinated to the participating lender. In addition, Peoria County will generally require a Personal and/or Corporate Guaranty on Peoria County RLF Program Loans.
12. ACTIVITIES COMPLETED PRIOR TO LOAN CLOSING: All project activities completed prior to loan closing are ineligible for financing through Peoria County RLF Program. Also, any lender financing or equity which is disbursed prior to loan closing cannot be counted as match.
13. GEOGRAPHIC AREA: The geographic area served by the fund will be within the corporate boundaries of Peoria County.
14. DEMONSTRATION OF FINANCIAL NEED: Peoria County, utilizing recaptured Community Development Assistance Program (CDAP) dollars from the State of Illinois, may participate with any lending institution and/or source of equity in making Peoria County RLF Program Loans. Applicant firms and participating lenders must demonstrate a financial need for local CDAP-RLF funds. Financial need can be demonstrated by meeting one or more of the following financial need criteria:

- a. CDAP funds are needed to "fill the gap" between the estimated project cost and what lenders are able and willing to lend.
  - b. The estimated return on investment (ROI) exceeds the bank-determined, industry-wide standard.
  - c. The banks determine there is insufficient collateral without CDAP revolving loan fund participation.
  - d. CDAP-RLF financing is needed to keep the firm in the community (applicant must furnish the bank with detailed incentive letters from other states and detailed cost information/explanations on how CDAP-RLF funds equalize the costs between the community site and the out-of-state site, CDAP-RLF funds cannot be used to relocate firms from one part of the State of Illinois to another part of the state). This need will be demonstrated by a lender and community CDAP-RLF committee review of applicant firm's financials (see application at end of document for financial information requirements).
15. **ORIGINATION FEE:** An origination fee of up to one percent of the amount requested may be charged by Peoria County and is payable at closing. In addition, Peoria County may charge a \$100 fee to cover application costs (which include addressing state/federal mandates).
16. **LOAN CALL PROVISIONS:** Failure to abide by Peoria County RLF program guidelines or administrative guidelines or administrative procedures can result in calling of the RLF loan at the RLF committee's request. Also, the local government can call the RLF loan due and payable in the event of: 1) the transfer of substantially all the borrower's assets to any third party; 2) bankruptcy or insolvency of the borrower; 3) cessation of the conduct of active trade or business in Peoria County by the borrower for any reason, including, but not limited to, fire and other casualty; 4) inability to meet the obligations for job creation/retention as originally stated. These provisions are contained in a loan agreement between the borrower and Peoria County.
17. **APPLICATION GENERATION:** Applications will be generated by:
1. Sending RLF information to the community's existing businesses.
  2. Including RLF information in the community's marketing package.
  3. Provide RLF information to area economic development commissions and the chamber of commerce to include in their area marketing information.
  4. Staff participation in business related seminars or workshops held in the area.
  5. Provide RLF information to local chapter of NAACP, Urban League and other organizations representing minority groups and offer to speak at meetings periodically.
  6. Provide information to area women's entrepreneur associations and women's service organizations.
  7. Publicize approved loan projects by sending news releases to area media and holding news conferences, ribbon cuttings and ground breakings to encourage media coverage.
  8. Area financial institutions will be provided with information about the RLF and asked to inform potential recipients of fund availability.
18. **PRE-APPLICATION DISCUSSION:** The County can provide you with some assistance before you submit your GAP application. If you would like our representative to contact you, call or write to:
- Peoria County RLF Administrator  
324 Main Street, Room 502  
Peoria, IL 61602  
309-672-6056

### **C. REVOLVING LOAN FUND MANAGEMENT PLAN**

1. **LOAN REVIEW COMMITTEE:** The Peoria County Administrator shall appoint members as needed to the Loan Review Committee. The committee may consist of, but not be limited to, the county board chair or other representatives of the county board with financial/business experience, a staff attorney from the State's Attorney's Office, the county economic development director, County Administrator or his/her designee, or stakeholders from the community with experience in finance, law, and business.

2. PROJECT EVALUATION: The Loan Review Committee shall review all applications to the revolving fund after the RLF Administrator has packaged the application. The committee will meet with the applicant, meet with the representative of the participating financial institution, visit the site if necessary, negotiate terms, length, security of loans and ensure compliance with the RLF goals and objectives. A recommendation will be prepared for the appropriate standing committee of the County Board for consideration which will include a description of the project, project costs, source of funds, security required, special conditions, and reasons for approval or denial. All other application information is kept confidential. The appropriate standing committee that has considered the loan shall make a recommendation to the full County Board for formal approval or denial. The County Board, assuming approval, shall instruct the County Administrator to execute appropriate loan documents and begin to monitor repayment of the loaned funds.
3. RLF STAFFING: The RLF will be staffed by the county's economic development director, the county's chief financial officer and a staff attorney from the State's Attorney's Office.
4. LOAN DOCUMENTS, MONITORING and REPORTING: The loan documents, including commitment agreements, liens, title policies, security recordings, transfer tax declarations, amortization schedules and security releases, shall be obtained and completed by the State's Attorney's Office. The county's RLF Administrator, in consultation with the Finance Department, shall monitor repayments of the loan, job creation and/or retention reports required to be provided semi-annually until the commitment is met, monitor other special conditions as required and submit semi-annual reports on the status of the RLF to the Department of Commerce and Economic Opportunity.
5. DELINQUENT LOANS: The fund administrator will send a Notice of Default and Demand to Cure to the borrower when the payment is between 10 and 30 days late. After 30 days past due the matter will be turned over to the county attorney to pursue. All legal rights will be exercised by the county to reclaim funds. Legal counsel will be consulted during foreclosure and liquidation proceedings if events warrant.
6. LATE PAYMENT FEE: If the monthly installment is 31 or more days late, a late fee of 1.5% of the monthly payment will be charged.
7. FINANCIAL INTERMEDIARY: Alternatively, Peoria County may contract with a financial intermediary to conduct as much or as little of the foregoing through a servicing contract as may be desired. Final authority for approving any financial assistance made through the RLF shall remain with Peoria County, unless formally delegated by resolution and outlined in a formal agreement. Peoria County shall be responsible for seeing that the financial intermediary follows all state and federal regulations pertaining to the RLF program.

#### **D. ASSURANCES**

1. RLF ADMINISTRATION FEE: Not more than 10 percent of the annual revenue to the RLF will be used for administration of the RLF fund, in an amount not to exceed \$15,000. Administrative expenses will be documented via receipts, bills, invoices, etc.
2. BENEFIT TO LOW TO MODERATE INCOME PERSONS: Assistance provided from the RLF will result in at least 51 percent benefit to low-to-moderate income persons and these benefits will be documented by utilizing Workforce Investment Act (WIA) service providers, Illinois Employment and Training Centers or the employee certification forms found in the RLF Handbook. Each loan recipient must document that a minimum 51% of total project funds will benefit low to moderate income persons. Documentation can either be through wage scales paid for jobs created/retained or the individual filling the job is of low to moderate income (eg. WIA eligible hired through Job Service).

3. SEMI-ANNUAL REPORTING: Peoria County agrees to report semi-annually on the status of the RLF to the Department of Commerce and Economic Opportunity for approval before implementation.
4. DCEO CONCURRENCE ON STRATEGY CHANGES: Any changes to the recapture strategy will be submitted to the Department of Commerce and Economic Opportunity for approval.
5. LEGAL REMEDY for DELINQUENT LOANS: Peoria County shall agree to pursue legal remedy to recover delinquent loans. Legal action shall include that authorized by federal and state law, including, but not limited to, efforts to collect and pursue the interest of the RLF through bankruptcy court.
6. LEVERAGE RATIO: A minimum leverage ratio of \$1 non-CDAP funds to \$1 CDAP RLF funds must be obtained for each project. RLF funds may not comprise more than 50% of the financing for any project.
7. ENVIRONMENTAL REVIEW: The grantee shall assure that environmental reviews will be completed for each project funded, as required, for each project funded, as well as prevailing wages paid if applicable.
8. JOB CREATION/RETENTION: Peoria County will assure that there will be one job created or one job retained with 51% low-moderate income benefit for every \$15,000 used in a financial assistance project.
9. JOB PLACEMENT: Job creation attributable to CDAP revolving funds shall take place within 12 months after the disbursement of funds.
10. COMMERCIAL RECYCLING ORDINANCE: Each loan recipient must agree to comply with the Peoria County Code, Commercial Recycling Ordinance, Chapter 7.1, Section 7.1-1 through 7.1-7.
11. USE OF RECYCLED PRODUCTS AND MATERIALS: Each applicant must agree to use recycled products and materials and provide proof that at least 20% of the products and materials purchased for use in the business has post consumer recyclable content of 5% to 20% depending on the requirements and specifications for the use of the products or material. This requirement applied to paper, materials manufactured or produced, including materials used in the manufacturing and production process and capital equipment. Except as to paper, this requirement will not apply if the product, material or equipment is not reasonably available from any source with recycled content.
12. AFFIRMATIVE ACTION COMPLIANCE: Each loan recipient agrees in writing to conform to the provisions of Article VII of the Peoria County Purchasing Ordinance regarding affirmative action.
13. COUNTY BUILDING CODE AND PERMIT COMPLIANCE: Each loan recipient's property, upon completion of any construction activities, must comply with all applicable code, permit and license requirements of Peoria County.
14. ILLINOIS PROCUREMENT CODE COMPLIANCE: All loans which will be used for the construction and/or remodeling of a building or facility must comply with the Illinois Procurement Code (30 ILCS 500 et. seq.). This includes the paying of prevailing wages in compliance with the Illinois Prevailing Wage Act, and the use of contractors and subcontractors that participate in applicable apprenticeship and training programs approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training.
15. STATE/FEDERAL CDAP PROGRAM (TITLE I) COMPLIANCE: The RLF Program will be operated according to applicable CDAP Program requirements which include, but are not restricted to, environmental review, prevailing wage rate, equal employment opportunity, minority business enterprise, Section 3 ("Local Hire") Provisions, and Persons with Disabilities/ Developmentally Disabled provisions.

## **E. REQUIRED DOCUMENTATION / RLF PROCESSING**

1. Sign-off Sheet
2. RLF Application and Related Documents
3. Lender Commitment Letter
  - a. Statement of loan approval and need for RLF participation by authorized lender officer or committee
  - b. Specified dollar amount of loan
  - c. Specified loan term
  - d. Specified interest rate
  - e. Collateral or security requirements
  - f. Other special conditions of the loan
4. Borrower Commitment Letter
  - a. Description of the project
  - b. Total project cost
  - c. # of jobs created/retained and benefit to low/moderate income persons
  - d. Type of jobs to be created/retained and wage scales
  - e. Time frame for job creation\
  - f. Potential use of Workforce Investment Act training program
  - g. Name of lender making commitment
  - h. Amount of equity if start-up business
  - i. Statement that borrower can begin project implementation immediately upon Peoria County RLF program approval.
5. Environmental Review Checklist Requirements

In some cases, may not be applicable, please see application located toward the back for instructions.



**CDAP Revolving Loan Fund  
Project Log Checklist**

Peoria County

BORROWER \_\_\_\_\_

- | <u>DATE</u> | <u>ITEM</u>   |
|-------------|---|
| 1. _____    | Applicant contacts the unit of local government   |
| 2. _____    | Unit of local government refers application to area lending institution   |
| 3. _____    | Applicant files application with lending institution  |
| 4. _____    | Lending institution reviews application, makes following written determination to borrower and RLF committee:<br><br>___ a. applicant not credit-worthy for loan of any kind<br>___ b. applicant credit-worthy, but does not need RLF funds<br>___ c. applicant credit-worthy <u>with</u> RLF participation which would:<br>___ (1) fill a gap between estimated project costs and available bank/owner equity funds<br>___ (2) permit a return on investment (ROI) in line with lending institution determined industry wide standard<br>___ (3) remedy or enhance deficient collateral for the project<br>___ (4) keep the project from leaving the State of Illinois |
| 5. _____    | Applicant files RLF application and environmental review information with unit of local government  |
| 6. _____    | RLF committee and staff recommend items for consideration.<br><br>_a. begin review of application<br><br>___b. send request for project clearance letters, if applicable, to Illinois Environmental Protection Agency, Illinois Historic Preservation Agency, Illinois Department of Natural Resources and Illinois Department of Agriculture, if applicable  |
| 7. _____    | RLF Committee receives clearance letters from IEPA, IHPA, IDNR and IDOA (15 day process)  |
| 8. _____    | Environmental review record prepared, finding determined  |
| 9. _____    | If applicable, environmental notice published (may take 30 - 40 days)   |
| 10. _____   | Environmental review cleared by DCEO  |
| 11. _____   | RLF application review completed  |
| 12. _____   | RLF Committee staff recommends funding/denial   |
| 13. _____   | RLF Committee approves applicant RLF request  |

14. \_\_\_\_\_ RLF Committee notifies applicant of funding/denial in writing
15. \_\_\_\_\_ Closing and repayment documentation prepared, closing date established
16. \_\_\_\_\_ Promissory note, loan agreement, collateral mortgage documents executed, check(s) issued
17. \_\_\_\_\_ Project begins
18. \_\_\_\_\_ Project monitoring takes place
19. \_\_\_\_\_ Project ends
20. \_\_\_\_\_ Final check issued
21. \_\_\_\_\_ First loan repayment check received from borrower
22. \_\_\_\_\_ All job creation and other required reports received from borrower
23. \_\_\_\_\_ Periodic inspection of project and collateral
24. \_\_\_\_\_ Last loan repayment from borrower received
25. \_\_\_\_\_ Project file closed-out

## LOAN DEFAULT GUIDELINES

### Policy for GAP and CDAP Loans

- Event: Non-payment of repayment installments; including partial or complete non-payment.
- Purpose: To give direction to the County Administrator and staff in the event a Borrower under the CDAP or GAP loan is in default of its agreement to repay.

The following actions will be taken when the Borrower is in default:

1. Payment past due at least 10 but less than 30 days: the RLF Administrator shall send a written Notice of Default and Demand to Cure to the Borrower(s).
2. Payment past due 30 but less than 60 days, the RLF Administrator, County Administrator or designee shall:
  - a. Contact the Borrower(s) for a full explanation of the circumstances of the default;
  - b. Charge a late fee of 1.5% of the monthly payment; and
  - c. Report the circumstances to the appropriate standing committee.
3. Payment is at least 60 but less than 90 days past due, the RLF Administrator, County Administrator or designee shall:
  - a. Contact the Borrower(s) for current information.
  - b. Report the circumstances to the appropriate standing committee and/or the Executive Committee of the County Board.
4. Payment is past due more than 90 days, the RLF Administrator, County Administrator or designee shall notify the appropriate standing committee, the Executive Committee of the County Board and the entire County Board. The Executive Committee, with advice of the State's Attorney Office, shall determine what action, if any, the RLF Administrator, County Administrator or designee shall take in relation to the Default.
5. The above shall in no way create any rights of forgiveness or any excuse for default; or constitute any waiver of right by the County of Peoria to declare the Borrower(s) in default, or to waive any right to accelerate the repayment obligation of the Borrower(s) or any other right the County of Peoria may have under the particular loan agreement.

The County Administrator may request guidance and direction from the Executive Committee at any time, if such action is appropriate in the opinion of the County Administrator.



**COUNTY OF PEORIA, ILLINOIS**

**GOVERNMENT ASSISTANCE PROGRAM (GAP)  
REVOLVING LOAN FUND (RLF)**

# APPLICATION FORMS

## APPLICATION FORM/ATTACHMENTS

Attached are the application form and a listing of attachments which *must* be completed and submitted to Peoria County. Answers to application questions should be typed or legibly printed in black ink. Please be sure all attachment items requested are attached to your application. Failure to provide requested information will cause delays in the review and decision process. Information provided by your financial institution and/or other financing source may be copied and submitted.

Return completed and signed application form as well as required attachments which are on the following pages to: \_

Peoria County  
Attn: RLF Administrator  
324 Main Street, Room 502  
County Courthouse  
Peoria, IL 61602

Applications received will be reviewed for completeness and forwarded to the Loan Committee for processing (*see following pages for required financial and program information*).

**PEORIA COUNTY REVOLVING LOAN FUND PROGRAM**

**PROGRAM GUIDELINES SIGN-OFF SHEET**

I, the undersigned, have read and understand the documents entitled "PROGRAM GUIDELINES, RECAPTURE STRATEGY AND APPLICATION FORMS" and all attachments, enclosures and supplements for Peoria County, and accept the terms and conditions therein.

I further understand that any inspection or investigation made by the local RLF Loan Review Committee under this program is for purposes of determining the applicant's eligibility under this program and it is not intended to represent or warrant the condition of the business or the premises.

I further understand that completing and submitting the Peoria County RLF application in no way insures approval of my loan or guarantees funding.

I understand that "APPROVAL" means specific, WRITTEN APPROVAL from BOTH the participating lender and Peoria County.

I understand that any work performed or expenses incurred PRIOR TO SPECIFIC WRITTEN APPROVAL from BOTH the participating lender and Peoria County will be considered ineligible.

Payments on the entire Peoria County portion of the Peoria County RLF Program Loan start 30 days from issuance of a Peoria County check to the borrower unless otherwise approved by the Peoria County Board.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name of Business

## Required RLF Attachments

- A. A business plan that includes:
  - 1. A brief history of the business and past employment growth.
  - 2. Market feasibility information which addresses business products or services and identifies existing and potential major customers and competitors.
- B. Attach the personal financial statement of each principal shareholder owning a 20 percent or greater share of the outstanding stock in the company.
- C. Attach one copy of each of the following:
  - 1. Profit and loss statements, and balance sheets of the company for last three years (or: if company has no formal financial statements, submit the last three years tax statements);
  - 2. Current financial statement of the company covering last 90 days;
  - 3. Pro forma balance sheets and profit/loss statements for next three years. First year's cash flow of the company outlined month to month.
- D. A list of major equipment or classes of equipment to be acquired. For acquisition of new machinery and equipment, reliable vendor cost estimates shall be provided. For used machinery and equipment acquisition, an appraisal shall be provided which demonstrates that the fair market value is in line with the purchase price.
- E. A detailed explanation of the need for and specific use of working capital. If used for inventory, a list with supporting cost estimates shall be provided.
- F. Documentation of the legal status of the borrower and authorization to enter into the loan, e.g., Articles of Incorporation, Secretary's Certificate, Certificate of Good Standing, etc.
- G. Attach primary lender commitment letter
- H. Attach company commitment letter
- I. Attach a commitment letter from any other source of leveraging (i.e. equity contributions shall be documented through signed letters from the benefiting business).
- J. Complete and sign application form on following pages
- K. Sign and attach Employer Job Certification Form on hiring employees, at least 51 percent of whom are low-to-moderate income.
- L. Attach Environmental Review Checklist Documentation (see last page) (*Check with Peoria County before completing this checklist*).

**Failure to submit the documents as outlined in A through L above may mean a delay or automatic rejection of your Peoria County RLF Application.**

## **GUIDE TO PREPARATION OF BORROWER'S LETTER OF COMMITMENT**

The Borrower's Letter of Commitment should be on company letterhead and should be signed by the chief executive officer of the company. The purpose of the letter is to acknowledge and to verify the information presented in the loan application and to verify that the project will go forward if the RLF loan is approved. The Borrower's letter should:

- Describe the project (plant expansion, open a business, etc.)
- Mention the total project cost.
- Verify the total jobs to be created or retained – the number available to low and moderate income households (at least 51%); the types of jobs to be available; and how low and moderate income benefit will be verified and documented.
- Describe the sources of financing which are committed to the project and mention which commitment letters are attached.
- If applicable, describe the amount of equity or down-payment that the company or its principals are providing. Briefly describe why the borrower or the principals cannot or will not provide additional funds from their own sources (satisfactory reasons include the need to reserve cash for working capital, the exhaustion of resources, an inadequate rate of return, etc.)
- Certify that the project is ready to go and will only go forward if the RLF loan is approved. Include the anticipated start and completion dates and a statement that the project is ready to begin.
- Describe collateral/security offered.

## **GUIDE TO PREPARATION OF FINANCIAL DOCUMENTATION**

### **LOANS FROM FINANCIAL INSTITUTIONS**

A firm commitment letter from a financial institution must have the following elements:

- Language which indicates that the loan has been approved by individuals or committees empowered to lend the amount committed to in the commitment letter and that the institution will lend subject to certain conditions.
- A specific dollar amount.
- A specific term in years.
- A specific interest rate.
- Specific collateral or security.
- Specific condition attendant loan.

The lender's letter should comment on the reason why it will not provide additional funds to the project.



**PEORIA COUNTY  
REVOLVING LOAN FUND  
LOAN APPLICATION  
PLEASE PRINT OR TYPE**

**A. Applicant / Business Information:**

Legal/Business Name of Borrower: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_ Email: \_\_\_\_\_

Home Address: \_\_\_\_\_ Home Phone: \_\_\_\_\_

Business Address: \_\_\_\_\_ Business Phone: \_\_\_\_\_

Type of Business / Products Produced, Services Provided (add additional sheets if necessary):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Number of Years in Business: \_\_\_\_\_

Business Ownership:  Sole Proprietorship  Partnership  Corporation  
 Other (Specify) \_\_\_\_\_

Principal Owners (Individuals, Address, and Phone of Those Owning 20% or More)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Present Number of Employees: Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_

Anticipated Number of Employees: 1 Year Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_

2 Year Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_

***(Provide listing of job classifications, salary ranges, and number of positions as a separate attachment)***

*\*NOTE: At least 51 percent of all jobs created and/or retained must be filled by individuals meeting low-to-moderate income guidelines as established by the Illinois Department of Commerce and Economic Opportunity (Please see attached "Employer Job Certification" Form at back of this application).*

Describe the nature of the project including what is to be financed in part or in whole with Revolving Loan Funds (i.e., acquire businesses, acquire real property, purchase of new or used equipment, working capital)

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**B. Activity Detail**

1. Property Acquisition

Applicable to project? Yes\_\_\_ No\_\_\_

If "Yes", complete items below.

Address (If Different From Business Address): \_\_\_\_\_

Phone Number (If Different From Business Phone): \_\_\_\_\_

Applicant: \_\_\_\_\_-Owns      \_\_\_\_-Leases

If Leased:

Owner's Name: \_\_\_\_\_

Owner's Address: \_\_\_\_\_

Terms of Lease: \_\_\_\_\_ (Attach Copy of Lease)

Property Size: \_\_\_\_\_ (Sq. Ft. / Acreage)

Existing Buildings:

Total Square Footage Occupied: \_\_\_\_\_

Approximate Year Constructed: \_\_\_\_\_

Proposed Buildings / Expansions: \_\_\_\_\_ Sq. Ft.

Assessed Valuation of Property: \$ \_\_\_\_\_ (Most Recent Year)

Real Estate Taxes Paid: \$ \_\_\_\_\_ Year: \_\_\_\_\_

2. Description of Machinery / Equipment Acquisition for Project

Applicable to Project? Yes \_\_\_\_\_ No \_\_\_\_\_ If "Yes", Complete items below.

Item Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

Item Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

Item Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

Item Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

Item Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

3. Description of Working Capital Expenditures (inventory, payroll, etc.)

Applicable to Project ? Yes \_\_\_\_\_ No \_\_\_\_\_ If "Yes", Complete items below.

Activity Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

Activity Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

Activity Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

Activity Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

Activity Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

Activity Description \_\_\_\_\_ Estimated Cost \$ \_\_\_\_\_

**C. Total Estimated Project Costs:**

Site Acquisition \$ \_\_\_\_\_

Site Improvements \$ \_\_\_\_\_

New Construction \$ \_\_\_\_\_

Building Renovations \$ \_\_\_\_\_

Capital Equipment \$ \_\_\_\_\_

Inventory/Working Capital \$ \_\_\_\_\_

Other Project Costs \$ \_\_\_\_\_

TOTAL \$ \_\_\_\_\_  
=====

Estimated Target Date To:

Begin Project \_\_\_\_\_

Complete Project \_\_\_\_\_

Occupancy/Start Up \_\_\_\_\_

Project Financing:

Approached Lending Institution ?                      Yes \_\_\_\_\_                      No \_\_\_\_\_

If Checked "No", Please Explain

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If Checked "Yes", Please Complete the Following:

Name of Lending Institution \_\_\_\_\_

Address \_\_\_\_\_

Contact Person \_\_\_\_\_

Title \_\_\_\_\_

Phone Number \_\_\_\_\_

Lender's loan commitment:

Amount: \_\_\_\_\_                      Rate: \_\_\_\_\_                      Term: \_\_\_\_\_

Please attach lender commitment letter (must indicate that RLF Funds are needed.)

Selecting one of the following and provide detailed justification on an attached sheet for the need for CDAP funds:

- FINANCING GAP - This argument will demonstrate that a business can raise only a portion of the financing necessary to complete the project. Reference the documentation within the application which supports this argument.
- RATE OF RETURN - This assumes that full financing is available, but the rate of return is insufficient to induce development. Provide the rationale and cite supporting documentation.
- LOCATIONAL - This argument is used when firm is considering multi-state location options. CDAP funds are needed to equalize cost factor variations between sites. This requires disclosures for each site under consideration. This application must contain this supporting documentation.

**D. Sources and Uses of Project** (information from above should match information in this section):

USE OF FUNDS		SOURCE OF FUNDS					
Use	Amount	Lender	Term	Est. Rate	Collateral	Amount	Annual Debt Service
Site Acquisition							
Site Improvements							
New Construction							
Building Renovations							
Capital Equipment							
Working Capital							
Contingencies/Other							
TOTAL COST =	\$ -	TOTAL SOURCES =				\$ -	\$ -

**Certification:**

AGREEMENT: The undersigned applied for the loan indicated in this application to be used in connection with the project described herein. All statements made in this application are true and are made for the purpose of obtaining the loan. Verification may be obtained from any source named in this application. The applicant agrees to abide by all Peoria County RLF requirements. The Applicant agrees to furnish any additional information to Peoria County as needed to review and consider this loan request.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

**EMPLOYER JOB CERTIFICATION FORM**

Name of Firm: \_\_\_\_\_

I/We hereby certify that we will retain/create jobs, at least 51 percent of which will go to persons of low-to-moderate income.

The current number of Full Time Equivalent, as of \_\_\_\_\_ = \_\_\_\_\_.

The number of Full Time Equivalent (FTE) jobs we intend to retain = \_\_\_\_\_.

The number of Full Time Equivalent (FTE) jobs we intend to create = \_\_\_\_\_.

Of the figure(s) previously indicated, at least 51 percent or \_\_\_\_\_ Full Time Equivalent (FTE) jobs will go to low-to-moderate income persons as documented by completed Employee Certification Form (attached).

I/We further certify that these jobs will be retained and/or created within two (2) years of the applicant's approved Revolving Loan Fund (RLF) Application.

Signed: \_\_\_\_\_

Owner

\_\_\_\_\_

Owner

\_\_\_\_\_

Owner

\_\_\_\_\_

Owner

\_\_\_\_\_

Date

## EMPLOYEE CERTIFICATION FORM

Date: \_\_\_\_\_

Dear Employee:

Please provide the information requested on this form so that we can verify to Peoria County that your employment here is achieving the goals of the GAP Revolving Loan Fund Program. This information is voluntary. The information will be placed in your confidential personnel file and is available to only a limited number of company officials. The information is also subject to verification by Peoria County representatives of its Economic Development Department.

For assistance, please see \_\_\_\_\_ . Thank you

Company Official

Sincerely,

\_\_\_\_\_  
Company Official

**1) Find your family size and household income level. Count all family members including yourself.**

Income Levels: Find where you fall between the rows and got to #2.		Persons in Family							
		1	2	3	4	5	6	7	8
Row A	30% of Median Income	\$14,150	\$16,200	\$20,090	\$24,250	\$28,410	\$32,570	\$36,730	\$40,890
Row B	50% of Median Income	\$23,600	\$27,000	\$30,350	\$33,700	\$36,400	\$39,100	\$41,800	\$44,500
Row C	60% of Median Income	\$28,320	\$32,400	\$36,420	\$40,440	\$43,680	\$46,920	\$50,160	\$53,400
Row D	80% of Median Income	\$37,750	\$43,150	\$48,550	\$53,900	\$58,250	\$62,550	\$66,850	\$71,150

**My Household Size is \_\_\_\_\_ persons**

*Please check the box below that represents your household income in relation to the 30%, 50%, 60% & 80% income levels (in rows A-D) that appear immediately below your household size.*

**2) My Household Income is: (check only one box below)**

- Below Row A income level (< 30%)
- Between Row A & B income levels (<50%)
- Between Row B & C income levels (<60%)
- Between Row C & D income levels (<80%)
- Above Row D income level (Non-LMI)

**3) Designate your racial group**

- White
- Black or African American
- Hispanic/Latino
- Asian
- American Indian/Alaskan Native
- Native Hawaiian & Other Pacific
- Mixed Race

**4) In addition, please indicate if any of the following pertain:**

- Female Head of Household       Disabled       Unemployed

**6) Were you unemployed prior to taking this job?       yes       no**

**7) Name:** \_\_\_\_\_

Signature: \_\_\_\_\_

Date of Hire: \_\_\_\_\_

**CDAP REVOLVING LOAN FUND  
ENVIRONMENTAL REVIEW CHECK LIST**

Peoria County Revolving Loan Fund Projects are generally subject to Environmental Reviews by certain state and federal agencies. In order for them to clear your project for development, we need for you to submit the following information listed below (please put a check mark to the left of the item that is attached):

1. \_\_\_\_ Map showing geographical location of project area-in relation to City boundaries;
2. \_\_\_\_ A U.S. Geological Survey Quad (USGS) Map showing the precise location of the project (i.e., county/township/ range and section);
3. \_\_\_\_ Site plan map(s) showing specifics of proposed undertaking;
4. \_\_\_\_ Current photos of all standing structures within the project area;
5. \_\_\_\_ Project address(es);
6. \_\_\_\_ Total acres to be acquired, if applicable;
7. \_\_\_\_ Current land use of property to be acquired;
8. \_\_\_\_ City/County zoning designation of the site
9. \_\_\_\_ Steps to be taken to rectify any disturbance of surface and subsurface drainage systems which could accelerate erosion problems;
10. \_\_\_\_ Identification of the materials, production processes and products;
11. \_\_\_\_ Anticipated production rates;
12. \_\_\_\_ Anticipated water use and wastewater discharge;
13. \_\_\_\_ Anticipated quality of waste water (characteristics);
14. \_\_\_\_ Volume of solvents or degreasers used in process;
15. \_\_\_\_ Air emission sources and control equipment;
16. \_\_\_\_ Volumes and types of hazardous or solid waste generated;
17. \_\_\_\_ Determination of whether sewer or water main extensions will be required;
18. \_\_\_\_ Name and telephone number of manufacturer's representative (plant manager or environmental engineer).