

SCOPED

Schuyler County Partnership for Economic Development

607.535.4341

607.535.7221 fax

Loan Policies and Eligibility Criteria Effective October 2001

- 1. Eligible applicants:** Eligible businesses shall include small manufacturers, tourism-based businesses and other industries which tend to import dollars into the county by selling goods and/or services to outside concerns.
- 2. Ineligible applicants:** Officers, Board Members, Staff or Blood Relatives of any of the above representing SCOPED or REDEC for a period of one year following service.
- 3. Eligible projects:** Loan proceeds can be utilized for projects that result in small business start-up or expansion, redevelopment of vacant facilities for productive use by small businesses, business and job retention, modernization or rehabilitation of existing industrial and manufacturing facilities and utilization of new technologies.

Applicants are required to have a current Business Plan. For free assistance to complete a Business Plan, call the Small Business Development Center at 607-962-9461.
- 4. Eligible activities:** Acquisition and/or improvement of land, building, plant or equipment, including new construction or renovation of existing facilities; demolition and site preparation; and working capital.
- 5. Ineligible activities:** Speculative activities; purchase or finance equity in private business; debt consolidation or refinancing.
- 6. Maximum/minimum size of loan:** \$20,000 maximum based on the availability of funds. \$5,000 minimum.
- 7. Private investment match:** 50% minimum required.
- 8. Equity requirement:** 5-10% minimum cash equity
- 9. Financing requirement:** This loan program is for applicants unable to secure traditional financing or in need of gap financing.

- 10. Interest Rate:** 4% fixed
- 11. Terms:** Five and seven years for working capital and/or machinery; seven to ten years for real estate activities.
- 12. Collateral:** The revolving loan fund will accept non-collateralized positions when a loan pool bank participates in the project and the RRC Loan Review Committee recommends the project.
- 13. Job Impact:** One full-time (37.5 hours) equivalent employee for every \$15,000-\$20,000 loaned.
- 14. Relocation** Out-of-Schuyler County prohibited.
- 15. Fees:** \$250 non-refundable application fee. One percent (1%) service fee; and loan closing costs.
- 16. Payment schedule:** Due the first day of each month; late fee assessed after the 10th of the month.
- 17. Code compliance:** Required.
- 18. Environmental audit:** All applicants must demonstrate compliance with local, State and Federal Environmental regulations. Projects involving real estate must provide a current environmental audit.
- 19. Targeting criteria:** Job creation/retention

SCOPED ensures confidentiality of all applicants and does not discriminate against any applicant because of race, color, religion, sex, age, national origin, marital status, physical or mental disability, or any other basis prohibited by statute.

This is an Equal Opportunity Program. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue SW, Washington, DC 20250-9410, or call 202-720-5964-(voice and TDD).

