



Downtown Revolving Business Loan Program

Thank you for applying for a revolving loan through the City of Macomb, Process Overview:

1. Please read ALL information carefully. In order to expedite the process, provide all requested information thoroughly and completely. Return all documents to the Office of Community Development at City Hall -232 E. Jackson Street, Macomb, IL 61455.
2. After the submission of the documents, the applicant meets with the Community Development Coordinator to answer questions and provide any additional paperwork and information.
3. The Community Development Committee is provided loan information and meets to review applications. It is preferred if the applicant or a representative of the applicant is able to come to the Community Development Committee to present the application, answer any questions the Committee may have, and provide any additional information requested.
4. As soon as any requested information is provided, the Community Development Committee once again reviews all information and makes the final recommendation.
5. The Application and/or recommendation is then presented to City Council for their approval.
6. You will be notified of your loan status during this process and the attendance of applicants is encouraged at City Council.
7. After City Council gives final loan approval, the City Attorney office will prepare loan documents. When the legal documents have been completed you will then be contacted again to set up an appointment for the signing of loan documents and disbursement of funds. You will be responsible for paying recording fees.

****** The length of time is dependent upon several factors. It is important for you to provide all requested documents in a timely fashion in order to expedite the process. Members of the Community Development Committee will do your best to make an appropriate decision in a timely fashion. In planning your project please allow 60 days from the time of submittal of a **complete** loan application to a City Council decision.

****** The city is under no obligation to approve the full loan requested and reserve the right to deny any application.

More Information

The City of Macomb's Downtown loan fund is primarily designed to be used in conjunction with other funding to (1) improve the buildings located within the Courthouse Square area; (2) provide working capital and equipment financing for businesses in the located in the downtown district; or (3) provide fixed asset financing. It is comprised of funds available from recaptured principal and interest of prior loans made by the City and from the Downtown Residential Program.

Eligible Borrowers:

Commercial establishments located within the area boundaries of Jefferson, Dudley, Johnson & Adams Streets.

Use of Loan Funds:

Loan funds may be used for exterior and interior improvements, including, but not limited to the following: windows, doors, tuck-pointing, painting, signage, awnings, fire alarm systems, interior structure remodeling, electrical, energy conservation measures, heating and cooling. Working capital, furniture & fixtures, inventory, machinery, construction, real estate purchase and equipment also qualify. Working capital defined as salary and benefits, general overhead, advertising, professional fees, printing, etc.

Leverage Requirements:

50% City Loan and 50% other funds for building improvements, equipment, construction, machinery or purchase of real estate.

35% City Loan and 65% other funds for working capital, inventory or furniture and fixtures.

Loan/Rate/Term:

Three percent interest rate for up to five years. Maximum loan amount from the Revolving Matching Loan Fund is Twenty-Five Thousand Dollars (\$25,000).

Documentation Requirements:

A two-page application, a release from and all requisite attachments must be completed, with a detailed description of the work to be completed and cost estimated. All application materials should be submitted to the City of Macomb, Office of Community Development. Loan approval is subject to the review and negotiation of the Community Development Committee and the Macomb City Council.

**CITY OF MACOMB
DOWNTOWN REVOLVING BUSINESS LOAN PROGRAM**

**John Bannon
Community Development Coordinator
232 E. Jackson/P.O Box 337
Macomb, IL 61455
309-833-4944
jbannon@cityofmacomb.com**

AUTHORIZATION TO RELEASE INFORMATION

- 1. I/We have applied for a loan from the City of Macomb. As part of the application process, the organization's committee may verify information contained in my/our loan application and in other documents required in connection with the loan.**
- 2. I/We authorize you to provide the City of Macomb all information and documentation that they request. Such information includes but is not limited to income, bank accounts, credit history and copies of income tax returns.**
- 3. The City of Macomb may address this authorization to any party named in the loan application.**
- 4. A copy of the authorization may be accepted as an original.**
- 5. I/We fully understand that is a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements when applying for this loans. As applicable under the provisions of Title 18, United States Code, Section 1014.**

Applicant Signature _____ Social Security Number _____ Date _____

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DOWNTOWN REVOLVING BUSINESS LOAN PROGRAM

Please provide any of the following items listed below that pertain to your business along with your loan application in order to expedite the process.

- A. **History of the Business:** Submit a brief history of your business and past employment growth.
- B. **Business Plan:** A professional quality Business Plan acceptable to the loan review committee and demonstrating the applicant's knowledge of expenditures, sales and the local market.
- C. **Market Information:** Submit information on your products and/or services and identify existing and potential major costumers and competitors.
- D. **Personal and/or Business Financial Statements:** Submit historical financial statements for the past three years, including profit and loss statement, balance sheet, income tax return and disclosure of contingent liabilities. If not available for the business, personal financial must be provided. A personal financial statement is also required.
- E. **Collateral:** Provide a detailed list of real estate and/or items to be used in securing your loan. Note: Personal items or a guarantee may be requested.
- F. **Three Year Projections:** Submit three- year-cash flow projections for your new expanded business.
- G. **Land and Building Information:** Attach and appraisal and copy of the purchase option agreement for land/or building acquisition. For building construction or renovation, provide contractor or architect's estimate.
- H. **Description of Machinery and Equipment:** For acquisition of machinery and equipment, attach reliable vendor cost estimates. For the cost of moving and installing new equipment, provide written estimates. For the cost of moving and installing new equipment, provide written estimates from the reliable vendors. For used machinery and equipment acquisition, provide and appraisal demonstrating that the fair market value is in line with the purchase price.
- I. **Description of Working Capital:** Provide a detailed explanation of the need for and the use of the funds for working capital.
- J. **Company Management:** List those personnel who are responsible for the management of the company and indicate their positions and percentages of ownerships. Submit a resume for each management staff person.
- K. **Letters of Commitment:** Document all sources of leveraging in the commitment letters. Loans from financial institutions must have language indicating the loan amount, the specified term and interest, collateral, conditions attached to the loan, and the fact that the loan is approved.

SOURCE AND PROPOSED USE OF FUNDS FOR TOTAL PROJECT

Categories	Owner Equity	Bank Loan	Other Govt / Alt Loans	City of Macomb	Other	Total
Land	\$	\$	\$	\$	\$	\$
Building Purchase	\$	\$	\$	\$	\$	\$
Building Construction	\$	\$	\$	\$	\$	\$
Equipment	\$	\$	\$	\$	\$	\$
Machinery	\$	\$	\$	\$	\$	\$
Inventory	\$	\$	\$	\$	\$	\$
Remodeling / Renovation	\$	\$	\$	\$	\$	\$
Furniture / Fixtures	\$	\$	\$	\$	\$	\$
Landscaping	\$	\$	\$	\$	\$	\$
Working Capital	\$	\$	\$	\$	\$	\$
Other	\$	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$	\$