

Salt Lake City Corporation
Business Relocation Assistance Fund Application



LOAN CRITERIA

451 South State Street, Room 404, Salt Lake City, UT 84111
(801) 535-7941

Locally-owned, or independently-owned and operated businesses that are current tenants in a redevelopment or improvement project where relocation is necessary can apply for funds up to \$100,000 at a **3% interest rate**. The funds requested may be used for relocation costs when the business moves from one area of Salt Lake City to another. The Business Relocation Assistance Funds originate from Salt Lake City's Business Revolving Loan Fund.

Eligibility, Loan Amount, Collateral Requirement, and Interest Rate

- Applicants must have a current Salt Lake City business license.
- Applicants must have received an eviction notice or termination of lease due to an improvement/development plan.
- Applicants must provide a copy of a lease or land purchase agreement for a new business location in Salt Lake City.
- Applicants may qualify for up to \$100,000 at 3% interest, fixed for the term of the loan. .
- Collateral sufficient to secure at least a minimum of 25% of the loan.
- A loan evaluation matrix shall be used by the City's Business Loan Committee to rank loan applications based on an applicant's credit history, ability to repay the loan, management ability and business experience, neighborhood impacts of the business, and fiscal impacts of the loan relating to job creation and retention, leverage of public to private funds, and impact on the City's tax structure in addition to the collateral requirements enumerated above. The loan evaluation matrix has a total of 100 points, and a loan application must receive at least 70 points to be recommended to the Mayor for final approval.
- Existing businesses are also evaluated in terms of any crime issues relating to the business. Based on a Police Department report, a loan will be denied to any business that has crime issues which the City is not satisfied that it is working to control.

Use of Loan Funds, Terms, Guarantees, and City Partnerships with Private Lenders

- Requested funds may be used for costs associated with relocation of the business. These include the following: acquisition of land and buildings, new construction, facade and building renovation, landscape and property improvements, machinery and equipment, and working capital.
- Loan terms are typically 5 years, but can be up to 7 years for equipment and 20 years for acquisition of land and building construction.
- Loans may be prepaid, in part or whole, at any time without penalty.
- Loans shall be guaranteed by the business and personally by the Borrower.

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OPENING AND CLOSING MEETINGS

All applicants are recommended to schedule an opening and closing meeting time.

- Optional opening meeting can be scheduled to review the application forms and answer any questions.
- Required closing meeting must be scheduled to review the completed application.

Contact:

Edward Butterfield
Small Business/Economic Development Manager
Phone: 801.535.7941
edward.butterfield@slcgov.com

APPLICATIONS ARE DUE ON THE FIRST THURSDAY OF
EACH MONTH

2008 Application Deadline
January 3
February 7
March 6
April 3
May 1
June 5
July 3
August 7
September 4
October 2
November 6
December 4

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REQUIRED INFORMATION CHECK LIST

Name of Business _____ Interest Rate _____

Number 1-15 must be completed before the application is accepted for review

#	Required Information	Date Received
1.	Business Information Sheet	
2.	Costs to the Borrower	
3.	Income Statement: three years of prior operation or each year of operation	
4.	Three Year Projection of Income Statement (Pro Forma)	
5.	Balance Sheet: three years of prior operation or each year of operation	
6.	Personal Tax Information: federal and state income tax information for the last three years	
7.	Business Tax Information: three years of prior operation or each year of operation	
8.	Personal Financial Statements	
9.	Business Obligation (business debt schedule)	
10.	Credit Report: letter of justification if required	
11.	Description of Collateral	
12.	Legal Structure/Salt Lake City business license	
13.	Doing Business As (DBA)	
14.	Location: copy of lease agreement	
15.	Site Information	

AFTER THE LOAN HAS BEEN APPROVED

INSURANCE REQUIREMENTS/DOCUMENTATION OF COLLATERAL

Following preliminary approval of the loan application by the Business Revolving Loan Fund Committee, the loan applicant must meet the City's insurance requirements listed below before final approval is granted. Additional documentation of collateral may also be required.

16.	Fire and Casualty Insurance (If real property is used to secure the loan)	
17.	Evidence of Worker Compensation Insurance	
18.	Additional Documentation of Collateral	

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BUSINESS INFORMATION SHEET

Company Information

Name of Company _____

Business Address _____

Telephone Number _____

Date Established _____ Employer Identification Number _____

Type of Business:

Corporation

Limited Liability

Partnership

Sole Proprietor

*Legal entity documents are required in the Supporting Documents section of The Business Plan

Name of Owner(s)	Title	Percentage of Ownership

Employee Information:

Current number of employees _____

Average wage/hr \$ _____

If the loan is approved

Number of employees added: _____

Projected number of employees in 5 years: _____

Loan Purpose

Requested Loan Amount: \$ _____

State the purpose of your loan request:

Description of Use	Cost
Acquisition of Land and Buildings	\$
New Construction	\$
Façade and Building Renovation	\$
Landscape and Property Improvements	\$
Machinery and Equipment	\$
Working Capital	\$
Advertising	\$
Inventory Acquisition	\$
*Refinancing of Existing Business Debt (will only be considered as part of a business expansion)	\$
Other (please explain):	\$
City Loan Amount	\$

Additional Financing

List sources of other financing and uses of these funds. *Ten percent cash injection required for start-up businesses (in existence for less than one year).* If applicable, provide supporting documentation such as bank statements, letter of commitment, etc.

Collateral Offered

Description	Value	X	Advance Rate	-	Amount Owed	=	Available Collateral
Real Property	\$		100%		\$		\$
Vehicles Used	\$		50%		\$		\$
Vehicles New	\$		80%		\$		\$
Equipment	\$		50%		\$		\$
Cash	\$		100%		\$		\$
Investments	\$		80%		\$		\$
Other (please describe)	\$				\$		\$
Total Collateral							\$

**Please provide additional information in Financial/Supporting Document section of application.*

Marketing

In this section you will give the loan committee a clear picture of who will purchase your product, who will make use of your service, who will choose your company and how they will find out about it.

Target Market:

Competition:

Advertising:

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FINANCIAL/SUPPORTING DOCUMENTS

This section will show your past, current, and future projected finances. All financial statements must be signed and dated. **Sample financial statements are available on request.**

Income Statement (Profit and Loss Statement)

- If the business has been in operation for three years or more, three years of operating cash flow statements are required. If less than three years, submit every year of operation.
- A current interim statement less than 60 days old is also required for all businesses except start-up businesses.

Three Year Projection of Income Statement (Pro Forma)

This statement shows projected profits and losses for the three years after the loan is granted.

Balance Sheet

All balance sheets must contain three categories—assets, liabilities and net worth.

- If the business has been in operation for three years or more, three years of operational balance sheets are required. If less than three years, submit for every year of operation.
- Startups must submit a pro forma balance sheet for the first year of operation.

Personal Tax Information

- For the previous three years including all schedules and W-2 forms are required for the member(s) of the legal structure of the business (sole proprietor, partners, principal officers).

Business Tax Information

- For businesses established three or more years, corporate federal and state income tax returns for the previous three years. Businesses established for one or two years, corporate federal and state income tax returns for the years of operation.

Description of Collateral

The following description is necessary to secure the collateral.

- Equipment: Name, model number, serial number, purchase price and date of purchase.
- Inventory: Description and number of items, estimated value, and location of items.
- Real Property: Street address, legal description, and mortgage statement.
- Vehicle: make, model, year, and purchase price (title is required upon closing the loan).

Legal Structure/Business License/Doing Business AS (DBA)

- Include a copy of your current Salt Lake City Business License. For new businesses, include a statement regarding the current status of the business license.
- Sole proprietor, include a copy of your business license.
- Partnership, Corporation or LLC, include a copy of the charter, articles, and by-laws, which show the names and addresses of the current officers and who has authority to sign lending documents for the entity,
- If doing business under any name other than the actual name, include a copy of the “dba” (doing business as) filing with the Utah Department of Commerce.

Location

Provide a copy of the existing or proposed lease agreement.

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CREDIT REPORT

IF ANY APPLICANT'S OR GUARANTOR'S CREDIT SCORE IS 620 OR BELOW, THE LOAN WILL BE DENIED. The applicants may present extenuating circumstances to the loan committee, and if the committee finds them acceptable, it may overturn the denial.

- A copy of your credit report will be obtained by the City free of charge. If the report does not meet the criteria for a loan, the process will end there.
- Based on the legal structure of the business, credit reports are required for the sole proprietor, members of the partnership, officers of the corporation or limited liability company.

Provide the following information for the credit report:

Applicant:

Name: _____ Birth Date: _____

Home address (include city and zip): _____

Social Security Number: _____

Work Phone: _____

Please check one of the following boxes: U.S Citizen U.S. Legal Resident

Applicant:

Name: _____ Birth Date: _____

Home address (include city and zip): _____

Social Security Number: _____

Work Phone: _____

Please check one of the following boxes: U.S Citizen U.S. Legal Resident

I herby give Salt Lake City Corporation permission to obtain a credit report using the above information. I herby certify the information provided above is truthful.

Signature

Date

Signature

Date



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COSTS TO THE BORROWER

The Borrower is responsible for the following costs at the time of closing. These costs can be paid in full by the Borrower, or deducted from the loan amount:

- Loan origination fee of 1.00% of the loan amount
- If the loan is being secured by real property, (1) appraisal cost, (2) title insurance, (3) recording fees, (4) title company closing costs

The applicant(s) understand and agree to the stated costs.

Signature

Date

Signature

Date

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PERSONAL FINANCIAL STATEMENT

As of _____

Name _____ **Residence Phone** _____

Residence Address _____

City, State, and Zip Code _____

Name of Business _____

ASSETS	LIABILITIES
Cash on hand & in Banks \$ _____	Accounts Payable \$ _____
Savings Accounts \$ _____	Notes Payable & Installment Accounts... (Describe in Section 2) \$ _____
Accounts & Notes Receivable..... \$ _____ (Describe in Section 6)	Loans on Life Insurance \$ _____
Life Insurance –Cash (Surrender Value Only)... \$ _____	Mortgages on Real Estate \$ _____ (Describe in Section 4)
Stocks and Bonds \$ _____ (Describe in Section 3)	Unpaid Taxes \$ _____ (Describe in Section 7)
Real Estate \$ _____ (Describe in Section 4)	Other Liabilities \$ _____ (Describe in Section 8)
Automobile – Present Value \$ _____	Total Liabilities \$ _____
Other Personal Property \$ _____ (Describe in Section 5)	Net Worth \$ _____
Other Assets \$ _____ (Describe in Section 6)	
Total \$ _____	Total \$ _____

Section 1. Source of Income	Contingent Liabilities
Salary \$ _____	As Endorser or Co-Maker \$ _____
Net Investment Income \$ _____	Legal Claims & Judgments \$ _____
Real Estate Income \$ _____	Provision for Federal Income Tax ... \$ _____
Other Income (Describe Below) \$ _____	Other Special Debt \$ _____

Description Items Listed in Section 1.

Section 2. Notes Payable and Installment Accounts (Including Credit Cards)

Name of Creditor	Original Balance	Current Balance	Payment Amount	Terms (Monthly, etc.)	How Secured or Endorsed Type of Collateral

Section 3. Stocks and Bonds					
Number of Shares	Name of Securities	Name of Exchange	Current Quotation	Date of Quotation	Market Value

Section 4. Real Estate Owned (List each parcel separately) (Attach supplemental sheets if necessary)						
Type of Property/ Address of Property	Title in Name of	Date Purchased	Original Cost	Present Value	Mortgage Balance	Payment Amt. Current? (Y/N)
						\$ <input type="checkbox"/> Yes <input type="checkbox"/> No
						\$ <input type="checkbox"/> Yes <input type="checkbox"/> No
						\$ <input type="checkbox"/> Yes <input type="checkbox"/> No
						\$ <input type="checkbox"/> Yes <input type="checkbox"/> No
						\$ <input type="checkbox"/> Yes <input type="checkbox"/> No

Section 5. Other Personal Property (Describe)

Section 6. Other Assets (Describe)

Section 7. Unpaid Taxes (Describe as to type, to whom payable, when due, amount, and if any liens have been filed)

Section 8. Other Liabilities (Describe)

Section 9. Life Insurance Held (Give face amount of policies, name of company and beneficiaries)

I/We hereby certify that all statements in this application are true and complete and are made for the purpose of obtaining credit. I/We fully understand that it is a federal crime punishable by fine or imprisonment or both to knowingly make any false statements concerning any of the above facts, as applicable under the provisions of Title 18, United States Code, Section 1014.

I/We authorize and request all persons listed and all credit reporting agencies to furnish Salt Lake City Corporation opinions and credit information on or affecting me for this application, and I/we authorize Salt Lake City Corporation to report opinions and credit information on or affecting me to all credit reporting agencies or other financial institutions, and I/we agree to hold Salt Lake City Corporation harmless from any claims, direct or indirect, that may result from receiving or reporting such information.

Signature:	Date:	Social Security Number:
Signature:	Date:	Social Security Number:

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LIST OF BUSINESS OBLIGATIONS

As of _____

Creditor	Original Date	Original Amount	Present Balance	Interest Rate	Monthly Payment	Maturity Date	Collateral	Status (C or D)

Signature _____

Title _____

Signature _____

Title _____