

## WHAT IS THE REVIEW PROCESS?

The loan application review will include the following steps:

- **Preliminary Review** – the administrator or their designee will review the application for completeness, eligibility, accuracy, and credit worthiness
- **Formal Review** – the Reviewing Authority/ Board (CDA or IDC) will normally review the completed application within 30 days of submittal.
- **Closing** – if application is approved, a closing will be scheduled within 180 days to execute loan documents



## WHAT OTHER RELATED PROGRAMS AND SERVICES ARE AVAILABLE TO MANITOWOC BUSINESSES AND RESIDENTS?

### Other Municipal Revolving Loans Funds

- **Manitowoc County Revolving Loan Fund** - Manitowoc County Comptroller 920-683-4080
- **City of Two Rivers Revolving Loan Fund** - City of Two Rivers Economic Development 920-793-5565
- **Economic Development Corporation of Manitowoc County** 920-482-0540

For more information or to obtain an application packet, please contact:

**Nic Sparacio**  
Community Development Director  
920-686-6930  
[nsparacio@manitowoc.org](mailto:nsparacio@manitowoc.org)

*Ask about our brownfields cleanup loans as well!*

## City of Manitowoc



## Revolving Loan Fund

***Business loan programs designed to:***

- Encourage creation and retention of permanent employment
- Stimulate private sector investment
- Create a positive business climate
- Promote a diverse mix of employment opportunities

**THE CITY OF MANITOWOC**, has two Revolving Loan Fund (RLF) programs. The City's Downtown RLF has invested into 19 downtown businesses. The City's Industrial RLF has invested into 23 non-downtown businesses. In addition to projects funded directly through the City's RLF programs, the City's business loan portfolio includes State economic development grants that support six additional businesses.

### WHO IS ELIGIBLE?

Owners and renters of commercial, industrial, service or mixed use properties or business that will locate or expand in the City by creating new jobs. Of the jobs that are created, 51 percent must be made available to people who are LMI. Businesses that will retain jobs that would otherwise move out of the City are also eligible.

### HOW CAN FUNDS BE USED?

*Funds may be used for:*

- Acquisition of equipment and other fixed assets
- New construction, expansion or remodeling of buildings
- Land improvements, demolition or leasehold improvements

*Funds may not be used for:*

- Working capital or debt financing
- Residential building construction
- Routine maintenance
- Professional services (i.e. feasibility and marketing studies, accounting, management, etc.)
- Specialized equipment that is not essential to business operation

### ARE THERE OTHER REQUIREMENTS?

**Minimum Requirements** include:

- **Private Fund Leveraging** – must leverage at least two dollars of private funds for every dollar of RLF funds requested.
- **Feasibility** – applicant must demonstrate that the proposed project is viable and that there is ability to repay the Program Loan.
- **Employment** – at least 51 percent of the jobs created or retained must be made available to persons of low or moderate income (LMI) as defined by the Federal Government.
- **Location** – activities financed under the RLF must be located within the City of Manitowoc. Corporate headquarters may be located elsewhere.
- **Project Completion** – projects shall be completed within 24 months of the date of the loan approval, and all positions created must be maintained for a minimum of 24 months.

### HOW MUCH CAN I BORROW AND WHAT IS THE INTEREST RATE?

- **Loan Amount**—Up to 30 percent of total project cost
- **Interest Rate**—
  - 75 percent of Wall Street Prime rate at time of loan approval for projects with loan term of greater than 10 years.
  - 65 Percent of Wall Street Prime rate for 1-10 year term

### HOW DO I APPLY?

**Applications** may be submitted at any time and will be processed in the order received. Your application shall include the following items:

- **Application Form**
- **Letter of commitment-** from each participating employer describing the project and its schedule for completion, amount of Program funds needed for the project
- **Letter of commitment** – from each participating private sector member describing the terms of the loan, including exact amount of dollars being committed, interest rate and term, and period the commitment is in effect.
- **Current Business Plan** – describing firm type, ownership, management, stage of development, objectives, financing and capital requirements, and SIC or NAICS code
- **Financial Statements-** Provide current personal financial statement not older than 90 days for each party having 20 percent or greater ownership interest; current balance sheet, profit/loss statement, 3-year projected annual balance sheet and profit/loss statement

Please see RLF Program of Policies and Loan servicing procedures for complete requirements.