



## City of Fort Scott Revolving Loan Fund Application Checklist

Thank you for considering applying to the City of Fort Scott Revolving Loan Fund. Below you will find instructions for application and a checklist of items that must be provided to the City in order for your application to be considered. Applications must be submitted to the Economic Development Office upon completion. The manager will review application for completion and notify the applicant if any further documentation is necessary. No application will be considered until all documentation is submitted.

### **Eligibility Requirements:**

Applicants must comply with the following terms in order to be eligible for application:

- For-profit business
- Located within the city limits of the City of Fort Scott
- Loan proceeds must be used for acceptable business expenses only
- Sufficient collateral must be available
- At least 51% of jobs created or retained must employ low to moderate income individuals (HUD income standards)
- Applicants may request up to \$10,000 per job created or retained with a maximum loan amount of \$50,000.
- Greater priority will be given to applicants demonstrating investment beyond this application

### **Loan Decision Process:**

Once a completed application is submitted, the Economic Development Manager will review the application and take it to a five-person loan committee made up of City officials and local bankers. The loan committee will meet two weeks after complete submission. Any approval must then be taken before the City Commission for final approval. Applicants will be informed of the committee's decision in writing. All approvals are conditional on an environmental review being completed and approved by the state.

Applicants may appeal a loan committee denial in writing to the Economic Development Office. The City Commission may, at its discretion, formally consider such a request.

### **Interest Rate & Term:**

Upon approval, the loan committee will assign an interest rate based on financial standing and job creation. Applicants may request a desired term in their application. The committee will make a final decision on term upon approval.

### **Fund Distribution:**

Loan proceeds will be distributed on a reimbursable basis or via valid invoice.

## Application Checklist

- City of Fort Scott **revolving loan fund application**
- Business plan** consisting of the following information:
  - Company profile
  - History and description of industry
  - Explanation of competition & how company will compete
  - Market study and strategy
  - Financial statements (see next item)
- Financial Statements** must include:
  - **Projections**
    - Month to month cash flow projections for three years or 36 months
    - Projected balance sheet and profit & loss statements for three years
    - Justification for projections
      - What is the basis for assumptions in sales and expenses
  - **Current Statements**
    - Income statement and balance sheet for existing businesses
    - List of start up costs for new businesses including written estimates of all estimated purchases
    - List of current obligations for business
  - **Tax Returns**
    - Returns for past three years for business if available
    - Substitute personal returns if business returns not available (new businesses)
- Statement of Equity**
  - Detailed explanation of investment beyond this loan
- Statement of Collateral**
  - Detailed explanation of collateral offered to secure the loan
- Personal Financial Records** for each owner owning at least 20% interest:
  - Personal Financial Statement form for each owner
  - Credit report – detailed report for each owner. Reports may be obtained from TransUnion, Equifax, or Experian.
- Resumes** of owners and other key personnel
- Documentation of jobs** created or retained:
  - List of each job created or retained, short job description, indication of full time or part time status, and pay of job.
  - Description of hiring process
  - Certification form for employees claiming low to moderate income.

If you would like help in writing a business plan or other business documents, please contact the Small Business Development Center at Pittsburg State University. They can be reached at 620.235.4920 or online at [www.pittstate.edu/bti/sbdc](http://www.pittstate.edu/bti/sbdc).