

Valley County Business Corridor Micro-Loan Pool



Valley County Economic Development has been awarded a \$25,000 grant from the Federal Home Loan Bank of Topeka and has leveraged those funds with a \$25,000 match from local sales tax funds from the City of Ord to create a revolving loan program (totaling **\$50,000**) for commercial property revitalization in Valley County, Nebraska. First National Bank in Ord served as the grant applicant. These funds are available at **0% interest** loans to develop viable infill economic development sites and/or make cosmetic improvements to **any and all business corridors in Valley County**. The maximum loan amount is **\$10,000** per project and applicants must provide a **25% cash match**. Applicants will be subject to meeting credit analysis and lending terms. The loan will be repaid over a period of **5 years** or less, as determined by the loan committee. The funds deadline for expenditure is within 1 year of project approval and/or funds drawdown. **Applications must be submitted before the project begins. Application Deadlines: Quarterly on the 1st Monday of January, April, July, and October.**

Name of Applicant: _____ **Date:** _____

Business Name: _____

Business Phone: _____

Business Email: _____

Ownership of Property (circle one): Individual Owner(s) Corporation LLC Other _____

Project Description: _____

Total Cost of Project (Must provide professional written estimates): _____

Business will provide cash match of: \$ _____
(Minimum of 25% of the estimate, i.e. for a \$10,000 project the match must be at least \$2,500)

Loan Amount Requested: \$ _____
(Maximum of 75% of project cost and no more than \$10,000)

1. How does this project meet program objectives? (Based on application guidelines on page 2)?

2. What is the proximity of this property to your community's main central business corridor?

3. How does the improvement enhance the value of your property and appearance of the business corridor?

Application Guidelines:

- Eligible applicants will be any business property owner located along the highway corridors in Arcadia, Elyria, North Loup, and Ord.
- **Eligible** activities include demolition, repair, cleaning, and sign removal that contribute to improving the physical appearance of the business corridors.
- **Ineligible** activities include refinancing existing debts, business inventory, equipment, new construction, improvements made prior to loan approval, and periodic maintenance of the building.

With this application, the following information must be submitted:

- A “before” picture of the property.
- A detailed project description, with cost estimates, including building materials, size, color, etc.
- A sketched design of your proposed improvements.
- Previous year tax return for the business.
- Current Balance Sheet and Income Statement for the business.
- Personal Financial Statement.
- List of business assets with values and debt against them, if any.
- Current personal credit bureau report if property is owned by the individual(s), not the corporation.
- Proposed collateral (real estate and/or chattels) to be used for funds requested.
- \$100 non-refundable application fee payable to Valley County Economic Development. If a loan request is approved, borrower will be responsible for 50% of the legal fees associated with loan closing. Borrower’s total liability for legal fees shall not exceed \$150.

Application Process:

1. Contact the Valley County Economic Development office for an application. Application deadlines are the first Monday of each quarter (January, April, July, and October).
2. Complete the application along with the required supporting documentation and submit it to the Loan Review Committee for review. The committee is comprised of two sales tax loan committee members, two economic development board members, and the VCED executive director (serving as an ex-officio member). This committee will review the financial reports provided and make recommendations as to the terms of the loan and collateral to the VCED Board of Directors. If the Loan Review Committee does not feel the financial information warrants a loan, they have the authority to deny or table the application. If the application and required supplemental information is not complete as of the application deadline, it will not be considered for funding during that quarter.
3. If the loan is recommended to the VCED Board, they will make a final decision on the loan. The VCED Board of Directors will not be provided any financial information. They will only be provided with information regarding the scope of the project and the terms of the loan as prepared by the Loan Review Committee.
4. Once approval is obtained, a Deed of Trust and/or UCC Financing Statement will be prepared by the City Attorney. The borrower will be responsible for paying the actual recording fees (\$10.00 for the first page, every page thereafter is an additional \$6.00).
5. Loan proceeds will be distributed upon project completion after verification of expenditures.

Return the completed application along with required supporting documents to:

Valley County Economic Development
1514 K Street Ord, NE 68862

Questions?

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