



FOND DU LAC COUNTY
**Economic
Development**
CORPORATION



Looking forward.

City of Fond du Lac Economic Development Revolving Loan Fund

PROGRAM DESCRIPTION

The City of Fond du Lac Economic Development Revolving Loan Fund (EDRLF) program, which is administered by FCEDC, was established to create employment opportunities, encourage private investment, and provide a financing alternative for new business start-ups or expanding existing businesses in the City of Fond du Lac. The EDRLF program includes interest rates and loan maturities that are designed to encourage business development, while providing for recapitalization and growth of the EDRLF.

ELIGIBILITY REQUIREMENTS

Businesses must meet certain eligibility requirements to receive funds from the loan fund program including that the businesses must be willing to create or retain at least one full-time equivalent job for each increment of loan funds requested. The City of Fond du Lac Economic Development Revolving Loan Fund allows for a maximum of \$20,000 per full-time equivalent job created, dependant upon a number of factors. Businesses must make 51 percent of the jobs available to low-and moderate-income individuals. The business must be in the City of Fond du Lac.

ELIGIBLE ACTIVITIES

The acquisition of equipment. Working capital. Other activities that further the objectives and job creation and retention may also be eligible.

FINANCING GUIDELINES

The FCEDC Revolving Loan Fund Committee, using the following financing guidelines, will evaluate each loan application for the following:

- **LEVERAGE:** The applicant must leverage a minimum of one dollar of private investment for every dollar of public loan funds requested. Higher leverage may be required at the discretion of the RLF Committee.
- **LOAN AMOUNT:** The amount of funds for any single business shall range from a minimum of \$10,000 to a maximum of \$200,000. Special loans are available to microenterprises located in the target area.
- **LOAN TERMS:** Loan terms are a maximum of seven years for working capital and ten years for machinery and equipment. The FCEDC retains the right to adjust individual loan terms in order to facilitate a successful EDRLF project.
- **INTEREST RATE:** The interest rate will be set by the EDRLF Committee, and is currently at 4%. For projects located within the target area, the interest rate shall be 0%. The interest rate shall be fixed for the loan term.
- **DEFERRALS:** Deferral of principal payments may be provided for up to one year, if required to make the project feasible. Interest will accrue during this deferral period.
- **COLLATERAL:** Collateral requirements will be determined on a case-by-case basis by the RLF Committee.

For more information about the
City of Fond du Lac Economic Development Revolving Loan Fund:

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