



Fond du Lac County Small Business Revolving Loan Fund

PROGRAM DESCRIPTION

The Fond du Lac County Small Business Revolving Loan Fund (SBRLF) 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 county. The SBRLF program includes interest rates and loan maturities that are designed to encourage business development, while providing for recapitalization and growth of the SBRLF.

ELIGIBILITY REQUIREMENTS

Businesses must meet certain eligibility requirements to receive funds from the loan fund program including: Businesses must be willing to create or retain at least one full-time job for each increment of loan funds requested. The Fond du Lac County Small Business Revolving Loan Fund allows for a maximum of \$20,000 per full-time job created, dependent upon a number of factors. The business must be in Fond du Lac County, or in the Dodge County portion of the City of Waupun. Small businesses eligibility: any private business that will employ 50 or fewer new employees and has less than \$1 million in projected gross revenues.

ELIGIBLE ACTIVITIES

Loans must be for community development projects, the establishment of new businesses, expansion of existing businesses, creation of employment opportunities, or saving existing jobs. Such loans may include, but are not limited to: Real estate acquisition and/or improvements; 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 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 \$15,000 to a maximum of \$100,000.
- **LOAN TERMS:** Loan terms are a maximum of seven years for working capital; ten years for machinery and equipment; and 10 years for real estate (can be amortized on a 20-year basis). The FCEDC retains the right to adjust individual loan terms in order to facilitate a successful RLF project.
- **INTEREST RATE:** The interest rate will be set by the RLF Committee, and is currently at 4%. 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.