



City of University City – Forgivable Loan Program

Program Guidelines

Overview

The City of University City is pleased to announce a forgivable loan program. The program helps eligible new local retail and creative for-profit and non-profit businesses purchase equipment and materials associated with establishing a new location. This program is an effort to support the vital mix of businesses that create successful commercial corridors. With this program, the City aims to strengthen the role of new businesses as economic and social anchors which provides goods and services to the community and to grow University City based businesses that create new jobs, add business diversity to current business corridors and expand economic development opportunities.

Funding Priorities

A limited number of projects will be approved through this program. Proposals will be evaluated based on the following funding priorities:

1. On Delmar Boulevard: Increased foot traffic to a commercial corridor by improving the retail mix with a new business that meets an identified, unmet need for goods or services. On Olive Boulevard: A local, non-chain retail, restaurant, or creative profit or non-profit that improves the diversity of services and occupies a vacant property.
2. Financial feasibility of the project and equity investment from the applicant
3. Impact on job creation

Eligibility

1. Only businesses new to the eligible areas will be considered and must be open within six (6) months of approval.
2. Projects must:
 - a. Be located on an eligible commercial corridor - Delmar Loop (retail only) or Olive Boulevard
 - b. Enhance an existing cluster of retail, food, or creative businesses – Olive Boulevard only
 - c. Make eligible investments including but not limited to: security systems, telephone systems, alarm systems, point of sale equipment, computer ordering systems, millwork, flooring, lighting, sound systems, display furnishings and shelving, HVAC equipment, coolers, specialty piping (not including normal plumbing expenditures), and similar items

Forgivable Loan Amount: \$5,000 – \$10,000 - The loan does not require payments and is forgiven if the recipient meets program guidelines for three (3) years.

Funding Source

University City Economic Development Retail Sales Tax

Application Process

Interested businesses must contact Jodie Lloyd, Manager of Economic Development at 314.505.8522 or by email at jlloyd@ucitymo.org **BEFORE** submitting an application in order to learn more about the program and determine preliminary eligibility.

Applications will be reviewed on a rolling basis, based on funding availability. Applications which are complete and meet program criteria will be evaluated for compliance with funding priorities. Detailed information about the business and the project as well as a credit check will be required.

University City Forgivable Loan Application

1. Background Information

Company Name

Contact Person

Current Address

City:

State:

Zip:

Phone Number : () -

Fax Number: () -

Email:

Which of the above is your preferred form of contact?

SIC code of business:

Federal ID No. (if have):

Date Funding Needed:

Funding Amount Needed:

Intended Use of Funding:

2. List of All company Owners

List All Owners and attach an additional sheet if there are more than two owners.

Please attach a list of all corporate officers and salaries for the last three years.

A. Owner Name:

Date of Birth:

Social Security Number:

Percentage of Ownership:

Address (Street, City, Zip):

B. Owner Name:

Date of Birth:

Social Security Number:

Percentage of Ownership:

Address (Street, City, Zip):

3. Type of Business

() "S" Corporation

() "C" Corporation

() Proprietorship

() LLC

() Partnership

4. Who is borrowing the Funding?

() Corporation () Individual (s)

() Partnership () LLC

5. Employment Information

Current No. of Employees: Employee No. in two years:

6. Borrower Information

A. Borrower Name

B. Bank Account:

C. Accountant:

D. Attorney:

7. Credit Information

A. Has the company or any officers (owners) ever been involved in bankruptcy proceedings?

- () No
- () Yes, and if so, please explain:

B. Is the company or any officers of the company involved in any pending lawsuits?

- () No
- () Yes, and if so, please explain:

C. Have you received any loans for this business?

- () No
- () Yes, and if so, please provide Name of the Bank, Contact Information and Loan Amount:

D. Do you have any lines of credit for this business?

- () No
- () Yes, and if so, please provide Name of the Bank, Contact Information and Line Amount:

E. Do you have any other financing/grants/loans for this business?

- () No
- () Yes, and if so, please provide Name of the Bank/Orgnization, Contact Information and the Amout of Grant/ Loan/ Financing:

F. Please provide three business credit reference (include contact information for all references):

1	
2	
3	

All of the Above information I have provided is true and accurate.

Borrower understands that if terms of the agreement are not honored, the funding is to be paid back in full to the City of University City, MO. If the terms are followed, the loan is fully forgiven in its 3rd year.

Signature of Applicant:	Signature of Applicant:
Print Name and Title:	Print Name and Title

Additional Information To Be Provided
Terms of City of University City Forgivable Loan Program

APPLICATION FEE: A non-refundable application fee must be submitted with the application. The application fee is \$50 to help cover the credit check and review process. The check should be made payable to the City of University City.

APPROVAL PROCESS AND TIMEFRAME: The City of University City and the St. Louis Economic Development Partnership will review this application. The City reserves the right to reject this application for any reason. Depending on the submission date, the review process will take between 30-45 days.

LEGAL REPRESENTATION: The borrower is strongly advised to retain legal representation to review the forgivable loan documents.

CONFIDENTIAL CREDIT REPORT: The City of University City, through our partner, the St. Louis Economic Development Partnership will obtain a credit report on the applicant(s). The City will not disclose any part of any credit report to anyone except staff and those involved in the application review process.

INSTRUCTIONS: Please be advised that the City will begin processing your application as soon as it and all of the following items are received. The items listed below should be included with the application:

FINANCIAL

- Historical: Balance sheet, profit & loss statement, and company tax returns for last three years. Include accountant's opinion letter and any schedules and notes to financial statements.
- Notes and Mortgages Payable (Schedules 1 & 2). Schedule 1 consists of current debts owed, Schedule 2 is future debt service anticipated over the next three years over \$10,000.
- Copy of Lease within the City of University City. Term of Lease must be at least three years or have an option for three years.

PERSONAL

- Personal Financial Statements from each 20%-or -more owner.
- Tax Returns from each 20%-or-more owner for the last three years.

OTHER

- Brief History and Description of Business
- Certificate of Incorporation.
- If business is a start-up, enclose a monthly cash flow for 1 st 12 months and an opening day balance sheet.