

**SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY
BUSINESS DEVELOPMENT LOAN PROGRAM**



General Applicant/Project Information

Date:
Name of Applicant Business/Organization:
Is Applicant Business/Organization a Certified Minority Business Enterprise, Women's Business Enterprise, Disadvantaged Business Enterprise, or similar? If yes, please specify:
Applicant Business/Organization Mailing Address:
City:
State:
ZIP:
Website (if applicable):
Project Address:
Do you own or lease this space? (Please indicate) Own: Lease*:
<p>*If applicant is not the owner of the building, the applicant is required to attach a letter, signed and dated, from the property owner expressing approval of the project application as proposed by the applicant.</p>
Project Parcel Number(s):
Primary Contact Name*:
<p>*Personal financial statements and tax returns are required for those with 20% or greater ownership interest. The City of South St. Paul and/or its agents reserve the right to obtain credit information on any business or individual in connection with this application.</p>
Title:
Contact Address:
Contact Phone:
Contact E-mail:

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Management Information (owner(s), officer(s), director(s), & shareholder(s) who hold 20% or more ownership share in company) *

Name	Title	% Ownership

*Personal financial statements and tax returns may be required for those with 20% or greater ownership interest. The City of South St. Paul and/or its agents reserve the right to obtain credit information on any business or individual in connection with this application.

Anticipated Sources and Uses of All Project Funds

Sources include the loan you are requesting from the City plus any other financing that will go into the project, including but not limited to bank financing and owner cash. Uses can be generalized but should include all proposed improvements including those that are above and beyond eligible activities for City funding. The total sources **must** equal the total uses.

Source(s)	Amount		Use(s)	Amount
City Loan				
Bank Financing Lender name:				
Owner(s) Cash Owner name(s):				
Other: (Please specify)				
Total:		=	Total:	

Discounted Interest Rate Criteria

Interest rates through this program are fixed at 5.50%, subject to discounts based on certain criteria. Please select any of the following criteria that are applicable and provide supporting documentation for each criteria selected.

- The applicant is committing 15% or more in cash equity to the project. (0.50% interest rate discount)
- The project has been approved for financing from a private commercial lender for at least 60% of the total project cost. (0.25% interest rate discount)

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- The applicant can demonstrate they have consulted with the “Open to Business” Program, which is free to all South St. Paul residents and businesses. (0.25% interest rate discount)
- The Applicant can demonstrate the project will result in a property value increase of 15% or more. (0.50 % discount)
- The Applicant can demonstrate that the project will result in the creation of three (3) or more new jobs at or above the “2 Working Adults, 2 Children” [Living Wage Calculation for Dakota County](#). (1.00% interest rate discount)
- The project involves one or more of the following components (0.50 % interest rate discount):
 1. Installation of an elevator in a multi-story building.
 2. Installation of a fire suppression system.
 3. Installation of environmental infrastructure, such as a vapor mitigation system.
 4. Abatement of hazardous building materials, such as asbestos.
 5. Installation of solar, geothermal, or wind energy systems or technologies.
 6. Installation of commercial food preparation facilities and required ventilation systems.
 7. Vertical commercial/residential mixed-use development (i.e., commercial unit(s) at the street level with residential unit(s) on the upper level(s)).

Supplemental Materials

THE FOLLOWING EXHIBITS MUST BE COMPLETED WHERE APPLICABLE AND PROVIDED AS SUPPLEMENTS TO YOUR APPLICATION. The City of South St. Paul reserves the right to request additional information.

- A business plan, as applicable, and projected financials for the next three (3) years.
- Scale drawing of proposed interior and exterior building changes, construction schedule, and cost estimates. Proposed façade renovations should include proposed materials list & color samples.
- Business financial statements for the last three (3) years, as applicable.
- Résumés and personal financial statements for all principal business owners/investors (see page 2) for the past three (3) years, as applicable.
- Copies of leases, purchase options or agreements, or other financial agreements related to the subject property. All applicants requesting more than \$5,000 in financing through the program are **REQUIRED** to provide verification that the applicant has sought conventional financing (i.e., a bank loan or line of credit) for the proposed project.
- Verification that none of the following conditions exists against the business or principals: outstanding judgments, state or federal tax lien, past due real estate taxes, past due property assessments.



Supplemental Questions

	<u>YES</u>	<u>NO</u>
Has the company, any officer, subsidiary or affiliate of your company been involved in any bankruptcy or insolvency proceedings in the last 36 months?		
<i>If yes, please provide the details as a separate exhibit.</i>		
Has the company, any officer, subsidiary or affiliate of your company been involved in any lawsuits in the last 36 months?		
<i>If yes, please provide the details as a separate exhibit.</i>		
Does the company, owner(s), or member of Management Team have a controlling interest in other businesses?		
<i>If yes, please provide their names and relationship with your company along with a current balance sheet and income statement for each as a separate exhibit.</i>		
Are any of the individuals listed under “Management” on parole or probation?		
<i>If yes, please provide the details as a separate exhibit.</i>		
Have any of the individuals listed under “Management” ever been convicted of a crime?		
<i>If yes, please provide the details as a separate exhibit.</i>		

BY SIGNING ON PAGE 4 OF THIS DOCUMENT, THE APPLICANT(S)

- Certifies that to the best of his/her knowledge and belief, the information being submitted to the City of South St. Paul is true and correct;
- Certifies that the applicant and proposed project is and will remain in compliance with all laws, regulations, ordinances, and orders of public authorities applicable to them;
- Certifies that he/she is not in default under the terms and conditions of any grant or loan agreement(s), lease(s), or financing arrangement(s) with other creditors
- Certifies that the City of South St. Paul is authorized to obtain a credit check on any principal or business associated with this application for the purposes of determining credit worthiness;

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- Agrees to reimburse the City of South St. Paul for any reasonable expenses made in connection with this loan request, including, but not limited to, title work, legal fees, appraisals, recording/filing fees, etc;
- Certifies that the applicant has disclosed and will continue to disclose any occurrence or event that could have an adverse material impact on the project. Adverse material impact includes but is not limited to lawsuits, criminal or civil actions, bankruptcy proceedings, regulatory intervention or inadequate capital to complete the project;
- Understands that unless it qualifies as a trade secret, all information submitted to the City of South St. Paul is subject to Minnesota's Open Records Law;
- Understands that approved interior and exterior changes to buildings must be substantially started within 90 days of closing date, and must be completed within 12 months of closing date; and
- Understands that any deviation or disregard for approved project design will result in a stop being placed on the loan.

In the event credit is extended, the applicant agrees to enroll in the City of South St. Paul's direct payment program, authorizing loan payments to be electronically debited.

Signature

Title

Print Name

Date

Social Security #

Depending on the natural and complexity of the program, the timeframe from application to approval is approximately 8 to 12 weeks. Please submit completed application to:

Ryan Garcia, Executive Director
South St. Paul Economic Development Authority
125 Third Avenue North, South St. Paul, MN 55075
rgarcia@sppmn.org
(651)554-3278