



City of Glenwood Springs Revolving Loan Fund (RLF) Eligibility and Checklist

(Updated March 2022)

The City of Glenwood Springs Small Business Revolving Loan Fund (RLF) is a USDA-funded program that exists to serve as a gap-financing tool for small business owners in Glenwood Springs. This Small Business RLF will enable eligible small businesses to obtain working capital term loans of \$5,000 to \$40,000, or 50% of the total eligible project costs, with an annual interest rate of approximately 3.0% (terms variant on current market trends). This is not a revolving line of credit. Eligible costs include acquisition of fixtures, furniture, or equipment; property rehabilitation; site improvements; fire suppression systems; and other various working capital needs.

Eligibility

- Project / business to be assisted by the RLF program typically must be physically located within the City of Glenwood Springs. On a case-by-case basis, the Loan Committee may waive this requirement and provide loan funds to a business located outside the City of Glenwood Springs Area if the committee determines doing so will have a positive economic impact on the community to be assisted with RLF funds. If the business relocates outside of the City of Glenwood Springs Area, the Loan Committee may require immediate pay off of the loan.
- Marijuana retailers are currently ineligible for the program.
- RLF funds will not be used to produce agriculture products through growing, cultivation, and harvesting either directly or through horizontally integrated livestock operations except for commercial nurseries, timber operations, or limited agricultural production related to technical assistance projects.
- RLF funds will not be used to finance comprehensive area-wide type planning. This does not preclude the use of grant funds for planning for a given project.
- RLF funds will not be used to fund a part of a project which is dependent on other funding unless there is a firm commitment of the other funding to ensure completion of the project.
- RLF loan funds will not be used to pay off any previous debt. Refinancing construction financing is an exception to this rule.
- Loans will not be made unless there is a reasonable prospect that the applicant meets the definition of "small and emerging private business enterprises" defined as "any private business that will employ 50 or fewer new employees and has less than \$1 million in projected gross revenues." If the grantor changes its definition of small and emerging business as



defined by the Rural Business Development Grant regulations, the grantee reserves the right to utilize the amended definition without further approval from the grantor.

- At least 51 percent of the outstanding interest in the applicant must be owned by those who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence.
- Construction projects (i.e. development on previously undeveloped ground) are highly discouraged as they require extensive federal environmental review. Once the initial round of funding has been revolved, the Committee may consider such projects on a case-by-case basis.

Process

All prospective applicants of the RLF must complete the following steps:

1. Contact Danielle Campbell, Economic Development Specialist, to inquire on eligibility for program at rlf@cogs.us or (970) 384-6424.
2. Submit pre-application material for initial screening which can be found at www.cogs.us/513/Revolving-Loan-Fund-RLF.
3. Once pre-application is verified, submit an application, which can be found at www.cogs.us/513/Revolving-Loan-Fund-RLF.
4. Once application is submitted, the applicant, city staff and a representative of the committee will meet to review application for additional questions or changes.
5. Applicant will present to Loan Review Committee for final loan approval.
6. Complete any additional requirements as determined by the Loan Review Committee. This may include:
 - Consultation with Certified Small Business Development Center (SBDC) consultant
 - Personal credit check
 - Inspection of collateral
 - Other actions as determined by the committee

The Loan Review Committee meets on a monthly basis as needed to review applications. **It is highly encouraged that all applicants submit their materials by the end of the month prior to the committee meeting in order to be reviewed.** All materials shall be submitted via email to rlf@cogs.us.



If you have any questions about any of these requirements or forms, please contact Danielle Campbell, Economic Development Specialist, at rlf@cogs.us or (970) 384-6424.

Fees/Closing Costs

No application fee will apply to applicants. However, costs associated with processing the application (e.g. credit report fees, UCC and lien search fees, filing security documents, filing legal documents fees, etc.) shall be the responsibility of the applicant. The Loan Committee may waive or amend this fee structure without further approval from the grantor.

The RLF may charge loan recipients for loan closing costs, attorney's fees, filing fees, etc., as necessary to complete loan documentation. All loan fees will be addressed in the Loan Agreement between the RLF and the loan recipient.

If approved, all loans must be put on autopayment from the applicant.

Pre-application Material

Please submit the following information via email to rlf@cogs.us.

- Grantee's loan write-up.
 - Proposed loan amount and terms. Please find a blank amortization schedule at www.cogs.us/513/Revolving-Loan-Fund-RLF to help determine the appropriate loan amount and term.
 - Per USDA guidelines, repayment terms may not exceed 7 years.
 - Detailed description of project to be financed
- RGDB – RLF UR Certification – Signed by both the grantee and UR. can be found at www.cogs.us/513/Revolving-Loan-Fund-RLF.
 - Please include supporting documentation as outlined in bullet #3.
- AD 1047 - Certification Regarding Debarment, Suspension,...Signed by UR. can be found at www.cogs.us/513/Revolving-Loan-Fund-RLF.
- AD 1049 – Certification Regarding Drug-free Workplace,...Signed by UR can be found at www.cogs.us/513/Revolving-Loan-Fund-RLF.

Once you have submitted the documents listed above, you will be notified of your eligibility for the RLF within five business days.

Application Material



Please submit the following information via email to rlf@cogs.us.

- RLF Applications can be found at www.cogs.us/513/Revolving-Loan-Fund-RLF.
- YTD Financials including gross revenues (gross sales or gross receipts less cost of goods sold)
- Most recent 2-year tax returns (all pages) personal and business
- Pro Forma please include based projections or cost breakdown of the project if pro-forma is not possible. Blank Pro-forma can be found at www.cogs.us/513/Revolving-Loan-Fund-RLF

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