



Village of Rantoul Business Loan Program, rev. 2.2017

Program Description

The purpose of the Business Loan Program is to provide gap financing to new and existing businesses within Rantoul, specifically those who are unable to obtain conventional financing. The program provides loan funds for equipment, real estate acquisition and real estate improvement, with a minimum of \$7,500 and a maximum of \$100,000 for a single borrower. The interest rate will be fixed or variable adjusted annually, within a range from 2%-10%, depending on the WSJ Prime Rate, at a rate to be determined by the Loan Committee. Repayment of principal and interest will be required over 5 to 7 years.

Intent

The Village of Rantoul is interested in providing funding to help start or retain businesses within Rantoul in order to encourage small business to create jobs and increase sales.

Eligible Applicants

- Business Owners within the Village of Rantoul corporate limits.
- Applicant must be operating legally in accordance with all federal, state and local laws and regulations and current with all Village taxes, fees and licenses.

Eligible Expenses

- Acquisition, construction, installation, renovation, repair or other improvement to real estate, buildings and accessory structures for commercial purposes
- Furniture and fixtures
- Machinery
- Equipment
- Working capital
- Inventory

Application Process

An application will only be reviewed after receipt of all application materials listed below. The approval letter must be issued before loan proceeds can be disbursed.

1. Meet with Village Economic Development staff to review the scope of the project and receive a copy of the program application.
2. Submit completed application in its entirety in hard copy or digital version to the Village Economic Development Department. Items included in the application are:
 - a. Business Plan, including detailed sources and uses of all funds
 - b. Business financial statements, including 3 years of projections showing loan repayment capacity
 - c. Resume and Personal financial statement for all principals
3. Once an application is received, the Loan Committee will review the application for compliance with the program. Following that review, they will either:
 - a. Approve the application as submitted. If approved by the Committee, an award letter and notice to proceed will be issued.
 - b. Issue a letter requesting more information be provided
 - c. Issue a letter of denial explaining the review committee's actions (you may revise your plan and resubmit)
4. If the project requires a building permit, applicants must receive that permit before work can begin.

Payment Process

All loan paperwork will be completed by the borrower through Bank of Rantoul for the benefit of the Village. Funds will be disbursed upon written request of borrower. Depending on the use of funds, if real estate related, a title company may be used to ensure bills are paid and liens are waived.

Additional Notes

- Funds are awarded on a first-come, first-served basis until the total program budget is exhausted.
- The amount the program is able to approve for reimbursement will not always be equal to the maximum amount due to the availability of funds.

Program Application

Applicant Information

Name	Business	Tax ID # or SSN		
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Street Address	City	State	Zip	
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Phone Number	Email			
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Business Location (if different)

Type and History of Business-

Amount of Loan Requested & Intended Use

Principals (include resumes of principals, co-signors & guarantors)

Number of Jobs Created or Retained _____

Description of Collateral

Other Committed Funding Sources

Business References, including phone numbers

Statement of Community Benefit (i.e. provide needed goods/services, increase traffic to a shopping area)

Applicant Disclosure Statement

I _____ (Applicant) assert that the preceding information is true and correct and that the loan funds will be used as stated by me in this Application.

Applicant (please print name)	Date
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Applicant Signature

Owner Disclosure Statement

(Required if Applicant is not the property owner of the parcel being improved)

I _____ (Owner) certify that I, as owner of the property at _____, give _____ (Applicant) authority to implement the described improvements at the property. I further acknowledge that the Village of Rantoul assumes no liability in the event of any dispute between

the Owner and Applicant concerning any building improvement work undertaken by the Applicant.

Owner (please print name)

Date

Owner Signature

Property Address

Application Documents Check List

- _____ Complete Application
- _____ Business Plan, including sources and uses of funds
- _____ Business Financial Statements, including 3 years of projections
- _____ Resume & Personal Financial Statements of all principal business owners