



Chenango County Revolving Loan Fund (CCRLF)



Chenango County Department of Planning and Development
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Chenango County Revolving Loan Fund

Chenango County has expanded its Revolving Loan Fund to provide for Economic Development Loans to firms for economic development purposes. Loans will be administered through the Chenango County Department of Planning & Development. Applications may be obtained from that office in the Chenango County Office Building, 5 Court Street, Norwich, NY 13815.

The amount of the Economic Development Loan shall not exceed \$150,000.00 and must not exceed fifty percent (50%) of any projects total cost. These funds will be loaned at 75% of the prime interest rate, or 75% of the conventional loan rate set by area banks, or at rates and terms deemed appropriate by the County based upon what is necessary and/or appropriate for a particular project.

The primary goals and objectives of the Economic Development Loan Program are:

1. To create new employment opportunities through the expansion of new businesses in the county.
2. To retain existing employment opportunities in the County.
3. To increase taxable value of property.
4. To provide assistance for projects which present growth potential in terms of future employment.
5. To provide essential services or businesses lacking in the community.
6. To leverage the greatest level of private funds possible.

Terms and conditions are negotiable and will be based on documented need and input from appropriate financial institutions. Funds may be used to provide "gap" financing where other funds are not available, or as a subsidy to reduce project costs, thereby making a project more feasible.

OTHER APPLICABLE POLICIES IN REGARD TO THE ECONOMIC DEVELOPMENT LOAN INCLUDE:

- All loan applications must be accompanied by an application fee equal to 1.0% of the loan request.
- Loan assistance will be subordinated to other financing, but loans must be corporately and/or personally guaranteed, as appropriate.
- The County will use the HUD Standard of one job created or retained per \$35,000 for economic development projects, or one job created or retained per \$10,000 for investments in a public facility such as roads or infrastructure to an industrial park.
- Additional information may be requested by the County in processing a loan application.
- Eligible activities include the purchase of capital equipment, rehabilitation, acquisition, new construction, and working capital. Refinancing of existing debt is not permitted.
- Loan payments will be required monthly unless otherwise agreed upon by both parties.
- No loan funds will be disbursed without execution of a loan agreement between the applicant and the County. This agreement will describe the project and the obligations of the loan recipient and the County.

Approval of all project loans shall require a majority vote of the members of the Loan Review Committee, designated as the Finance Committee of Development Chenango Corporation, the Planning & Economic Development Committee, and the Board of Supervisors, respectively.

Timeframe for Loan Application Review and Approval

Total time from receipt of completed application and supporting documentation to the time of loan proceeds disbursement is estimated, at a minimum, to be between twelve and fifteen weeks. This is only an approximation. Although the Administrator and Loan Review Committee shall make every effort to adhere to this schedule, circumstances may warrant an extension of this period.

1. The Loan Review Committee's review shall commence at the next regularly scheduled monthly meeting from when an application is deemed complete.
2. The Committee shall make its recommendation to approve or reject the application at the meeting that it is presented, or request restructuring if needed.
3. The applicant will be notified by the Program Administrator within five working days of the final decision.
4. The Administrator will set an appointment with the County Attorney within five working days after notification of loan approval, contingent upon the Attorney's availability.
5. Loan closing will be dependent upon the attorney's workload and time required to review the closing documents. Funds can be available within ten days' notice from attorney.

The County, its staff, and the Loan Review Committee will not discriminate against Loan Applicants on the basis of race, color, religion, sex, national origin, marital status, age, or handicap, familial status, or sexual orientation, or any other protected class.

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Only projects which meet objectives 1 and 2 will be considered for funding. Projects which meet and exceed these first two objectives will be given priority.