



Roaring Fork Business Resource Center

January 2012

Dear Applicant:

Securing the capital needed to start a new business or expand existing operations has become increasingly difficult. Responding to that need, the Town of Carbondale (“Town”) has developed a Revolving Loan Fund (“RLF”) to enhance your ability to finance a start-up or expand a business. Loans are available for new or established businesses that are located within the Town limits. In addition to providing access to capital, the RLF program is designed to help stimulate the local economy by creating and/or retaining jobs and increasing the local tax base.

The program is designed to help you obtain funding as well as develop important management tools to improve the chances for success of your business. The staff at the Roaring Fork Business Resource Center (“Center”) will help you through the application process, so please ask for assistance as you need it.

First, review the enclosed “Revolving Loan Fund Guidelines” to determine whether you qualify for funding. Remember, the committee wants to insure repayment of the loan so funds will be available in the future for others. Therefore, they will review your documents for answers to questions related to the overall strategy and organization needed to sustain your business. Then, provide the following:

- Cover letter, including the loan amount and repayment schedule you are requesting
- Waiver and Release
- Business Plan – see Business Plan Guidelines enclosed
- Loan Fund Application, including:
 - Financial statements and tax returns of the business (3 years)
 - Personal tax returns for all primary investors/owners (3 years)
 - Cash Flow projections (3 years)
 - Schedules of collateral

Additional information such as credit reports, appraisals, buy-sell agreements, franchise agreements, construction budgets, leases, etc., may be required depending on the purpose of the loan.

All documents should be submitted to the Center, and we will review your loan documents and submit the complete package to the Committee for review. You can expect a decision within three to four weeks after a complete loan package is submitted.

Thanks for your interest in the Program!

(Ms.) Randi Lowenthal
CEO





**Town of Carbondale Revolving Loan Fund
Business Plan Guidelines**

Description of the Business

1. Name, phone number and current address (and proposed address, if different), including a historical profile and number of years in business.
2. Proposed or current legal structure: Include Articles of Incorporation and/or Articles of Organization, Bylaws, and Certificate of Good Standing; Trade Name Affidavit; Partnership Agreement; and employer IRS #
3. Proposed or current management and staffing structure, including resumes of key management.
4. Description of proposed or current products and/or services.
5. Description of proposed or current facility.
6. Description of current or proposed equipment and other significant personal property.
7. Business goals, objectives, and profit requirements.

Marketing Plan

1. Target market and boundaries of service area, including profile of customers and competitors.
2. Marketing strategy, including current and proposed pricing and advertising.

Financial Data

1. Current and annual balance sheets and profit and loss statements, and complete federal tax returns (annual financial statements and tax returns for last three years), including an aging of accounts receivable and accounts payable, and an itemization of all long-term debt.
2. Projected annual balance sheets, profit and loss statements, and/or cash flow statements for three years, including a list of projection assumptions.
3. Credit, trade and banking references, including the most recent credit report. (Recommended)
4. Listing of past due government obligations, including settlement agreements with government agencies and extensions for filing tax returns.

Financial Data on Borrowers, Guarantors, etc.

1. Current personal financial statements on all borrowers and guarantors, and on all owners, partners or shareholders with a 20% or greater interest in the business, including contingent liabilities and itemized personal gross income for each financial statement. (Optional)
2. Federal tax returns for the last three years on all borrowers and guarantors, including requests for extensions for filing tax returns. (Required)

If you have any questions regarding the applicability of any of the documents for your loan request, please contact Randi Lowenthal, Roaring Fork Business Resource Center, at (970) 945-5158.



Town of Carbondale

Revolving Loan Fund Guidelines

Securing the capital needed to start a new business or expand an existing operation has become increasingly difficult. Responding to that need, the Town of Carbondale (“Town”) has developed a Revolving Loan Fund Program (“Program”) to enhance the ability of business owners to secure the some of the funds to finance start-up ventures or business expansion. In addition to providing business owners with access to capital, the Program is designed to help stimulate job creation and community sustainability. Loans are available to new or existing businesses that are located within the town limits of Carbondale.

PROCESS: The applicant should contact the Roaring Fork Business Resource Center (“Center”), 817 Colorado Avenue, Glenwood Springs, [(970) 945-5158; info@rfbrc.org] to obtain additional information about the Program.

A request should be made in a cover letter to the Town of Carbondale Revolving Loan Review Committee (“Committee”), including the loan amount requested, the use of the proceeds, the desired repayment schedule, and the desired length of the loan.

The Center will review the loan request and advise the applicant of any deficiencies which need to be addressed. Once a request is complete and meets the guidelines for the Program, the request will be submitted to the Committee for approval. The loan approval process takes approximately two to four weeks after a completed loan request is received.

CRITERIA: Loan proceeds may be used for a variety of business reasons, including real estate acquisition, new construction, rehabilitation, equipment purchases, and working capital. Town funds cannot, however, be used for personal reasons or the refinancing of existing debt. Requests will be considered on the basis of the character of the applicant, the applicant’s capacity to repay the loan, collateral and/or other sources of capital, and general economic or other conditions affecting the applicant’s ability to repay the loan.

LOAN AMOUNT: Although there is no minimum or maximum loan amount, the guideline for the requested amount is \$5,000 to \$25,000.

INTEREST RATE: The interest rate will depend on several factors such as type of collateral, if any, financial strength of the applicant, and the overall risk of the loan. Fixed rates of interest will range from 3% to 10%.

MATURITY: The length of each loan will depend on repayment capabilities and the purpose of the loan. Repayment may be monthly, quarterly, lump sum, or some other method to be determined by the Loan Review Committee. It is anticipated that loans will be issued for a maximum of thirty-six (36) months.

The Committee meets on the second Monday of the month at 4:00pm at Carbondale Town Hall.

DEADLINE FOR APPLICATIONS AND SCHEDULE OF REVIEW MEETINGS:Deadline for Application

Friday, December 30

Friday, February 3

Friday, March 2

Friday, March 30

Friday, May 4

Friday, June 1

Friday, June 29

Friday, August 3

Friday, August 30

Friday, September 28

Friday, November 2

Friday, November 30

Schedule of Meetings – 2nd Monday

Monday, January 9, 2012

Monday, February 13

Monday, March 12

Monday, April 9

Monday, May 14

Monday, June 11

Monday, July 9

Monday, August 13

Monday, September 10

Monday, October 8

Monday, November 12

Monday, December 10

TOWN OF CARBONDALE REVOLVING LOAN FUND LOAN APPLICATION

MANAGEMENT

(Proprietor, partners, officers, directors and all shareholders – show 100% of ownership). Use a separate sheet if necessary.

Individual				Telephone #																
Address																				
E-Mail Address																				
Name of Business				Tax ID#																
Street Address				Telephone #																
City	County	State	Zip	Date Established																
Structure: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> S Corporation <input type="checkbox"/> C Corporation		Type: <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;"><input type="checkbox"/> Agriculture</td> <td style="width: 33%;"><input type="checkbox"/> Transportation</td> <td style="width: 33%;"><input type="checkbox"/> Finance,</td> </tr> <tr> <td><input type="checkbox"/> Mining</td> <td><input type="checkbox"/> Wholesale Trade</td> <td>Insurance, &</td> </tr> <tr> <td><input type="checkbox"/> Construction</td> <td><input type="checkbox"/> Retail Trade</td> <td>Real Estate</td> </tr> <tr> <td><input type="checkbox"/> Manufacturing</td> <td><input type="checkbox"/> Services</td> <td><input type="checkbox"/> Other</td> </tr> <tr> <td></td> <td></td> <td>_____</td> </tr> </table>				<input type="checkbox"/> Agriculture	<input type="checkbox"/> Transportation	<input type="checkbox"/> Finance,	<input type="checkbox"/> Mining	<input type="checkbox"/> Wholesale Trade	Insurance, &	<input type="checkbox"/> Construction	<input type="checkbox"/> Retail Trade	Real Estate	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Services	<input type="checkbox"/> Other			_____
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<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Services	<input type="checkbox"/> Other																		

Name	Social Security Number	Address & Telephone	% Owned	Military Service From ---- To	Race	Sex
	N/A					
	N/A					
	N/A					
	N/A					
	N/A					
	N/A					

PURPOSE/PROJECT DESCRIPTION

JOB CREATION/RETENTION FOR FULL-TIME EQUIVALENT EMPLOYEES (FTE)

How many FTE's are currently employed by your business? _____
How many new FTE jobs will be created? _____
How many FTE jobs will be retained? _____

CREDIT REFERENCES

(include name, address, telephone, contact person, number of years associated, & credit high)

Banks
Trades
Credit Cards

I authorize Lender to make inquires as necessary to verify the accuracy of the statements made and to determine my credit worthiness. I certify the above information and statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan.

Signed: _____ Date: _____

By: _____

Signed: _____ Date: _____

By: _____

PERSONAL FINANCIAL STATEMENT

As of _____, 2009

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock and each corporate officer and director, or (4) any other persons or entity providing a guaranty on the loan.

Name	Business Phone ()
Residence Address	Residence Phone ()
City, State, & Zip Code	
E-Mail Address	
Business Name of Applicant/Borrower	

ASSETS		LIABILITIES	
Cash on hand & in Banks	\$ _____	Accounts Payable	\$ _____
Savings Accounts	\$ _____	Notes Payable to Banks & Others	\$ _____
IRA or Other Retirement Account	\$ _____	Installment Account (Auto)	\$ _____
Accounts & Notes Receivable	\$ _____	Monthly Payment \$ _____	
Life Insurance – Cash Surrender Value Only	\$ _____	Installment Account (Other)	\$ _____
Stocks & Bonds	\$ _____	Monthly Payment \$ _____	
Real Estate	\$ _____	Loan on Life Insurance	\$ _____
Automobile – Present Value	\$ _____	Mortgages on Real Estate	\$ _____
Other Personal Property	\$ _____	Unpaid Taxes	\$ _____
Other Assets	\$ _____	Other Liabilities	\$ _____
		TOTAL LIABILITIES	\$ _____
TOTAL ASSETS	\$ _____	NET WORTH (Total Assets – Total Liabilities)	\$ _____
		TOTAL LIABILITIES + NET WORTH	\$ _____

Section 1. Source of Income		Contingent Liabilities	
Salary	\$ _____	As Endorser or Co-Maker	\$ _____
Net Investment Income	\$ _____	Legal Claims & Judgments	\$ _____
Real Estate Income	\$ _____	Provision for Federal Income Tax	\$ _____
Other Income (Describe Below)	\$ _____	Other Special Debt	\$ _____

Description of Other Income in Section 1.

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Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

Sect. 2 Personal Amounts Owed to Banks and Others. (Use attachments as necessary. Each attachment must be identified as a part of this statement and signed).

Name and Address of Noteholder(s) and/or Name of Credit Card Company	Original Bal.	Current Bal.	Pmt. Amount	Frequency	How Secured or Endorsed Type of Collateral

Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed).					
Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value
Section 4. Real Estate Owned. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed).					
	Property A	Property B	Property C		
Type of Property					
Name of Title Holder					
Address					
Date Purchased					
Original Cost					
Present Market Value					
Name & Address of Mortgage Holder					
Mortgage Account Number					
Mortgage Balance					
Amount of Payment per Month/Year					
Section 5. Other Personal Property & Other Assets. (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and if delinquent, describe delinquency).					
Section 6. Unpaid Taxes. (Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches).					
Section 7. Other Liabilities. (Describe in detail).					
Section 8. Life Insurance Held. (Give face amount and cash surrender value of policies – name of Insurance company and beneficiaries).					
I authorize Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE Statements may result in forfeiture of benefits and possible prosecution by the U.S. Attorney General (Reference 18 U.S.C. 1001).					
Signature:			Date:		Social Security Number:
					N/A
					N/A

COST OF LIVING BUDGET

Regular Monthly Payments

House payments (principal, interest, taxes, insurance) or rent	\$ _____
Car Payments (including insurance).....	\$ _____
Appliance, TV payments.....	\$ _____
Home improvement loan payments	\$ _____
Personal loan, credit card payments	\$ _____
Health plan payments.....	\$ _____
Life Insurance premiums.....	\$ _____
Other Insurance premiums.....	\$ _____
TOTAL	(a) \$ _____

Household Operating Expenses

Telephone.....	\$ _____
Gas & Electricity.....	\$ _____
Water.....	\$ _____
Other household expenses, repairs, maintenance.....	\$ _____
TOTAL	(b) \$ _____

Personal Expense

Clothing, cleaning, laundry.....	\$ _____
Prescription medication.....	\$ _____
Physicians, dentists.....	\$ _____
Education.....	\$ _____
Dues.....	\$ _____
Gifts & contributions.....	\$ _____
Travel.....	\$ _____
Newspapers, magazines, books.....	\$ _____
Auto upkeep & gas.....	\$ _____
Spending money & allowances.....	\$ _____
Miscellaneous.....	\$ _____
TOTAL	(c) \$ _____

Food Expense

Food – at home.....	\$ _____
Food – away from home.....	\$ _____
TOTAL	(d) \$ _____

Tax Expense

Federal and State Income taxes.....	\$ _____
Other taxes not included above.....	\$ _____
TOTAL	(e) \$ _____

BUDGET SUMMARY

Monthly Total Income (Gross)	\$ _____
Less Monthly Expenses:	
Regular monthly payments.....	(a) \$ _____
Household operating expense.....	(b) \$ _____
Personal Expense	(c) \$ _____
Food Expense.....	(d) \$ _____
Tax Expense.....	(e) \$ _____
Monthly Total Expenses	\$ _____
Excess or Deficiency of Income over Expenses (Monthly Total Income – Monthly Total Expenses)	\$ _____

PERSONAL FINANCIAL STATEMENT

I (we) understand that the following questions are addressed to me (us) and I (we) have answered them as appropriate.

- | | | |
|-----|-----|---|
| Yes | No | |
| ___ | ___ | 1. Are you named as beneficiary of a trust, will, or estate? |
| ___ | ___ | 2. Are any of the assets listed herein held under a trust agreement of any type, held in an estate, or any other name or capacity? Please detail in "Additional Remarks" below. |
| ___ | ___ | 3. Are any of the assets listed herein on deposit, located, or otherwise held outside the United States of America? |
| ___ | ___ | 4. Do any of your assets secure any debts that have not been reported on the following schedules? |
| ___ | ___ | 5. Are any of the assets listed herein located in the community property states of Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, or Washington? |
| ___ | ___ | 6. Are any of your real estate properties used by you in your business? |
| ___ | ___ | 7. Have you ever filed for personal bankruptcy, had property you owned foreclosed, or made a settlement or an assignment for the benefit of creditors? |
| ___ | ___ | 8. Has any corporation or partnership in which you are (were) a major owner or a general partner ever filed bankruptcy, had property it owned foreclosed, or made a settlement or assignment for the benefit of creditors? |
| ___ | ___ | 9. Are you, or any corporation or partnerships in which you are a major owner or general partner, a party to any suit or legal action, or are there any unsatisfied judgments against you? |
| ___ | ___ | 10. Personal income tax returns have been filed through _____(Enter Year). Are any income tax returns, whether personal or that of any corporation or major partnership that you are a major owner of or a general partner, currently being audited or contested? |
| ___ | ___ | 11. Are you an officer, director, or principal shareholder of a financial institution? |

I (we) have explained fully under "Additional Remarks" on this page (or an attachment) my (our) "Yes" answers to the foregoing questions.

Additional Remarks

Signature:	Date:

Town of Carbondale
Revolving Loan Fund Program

I am applying for a loan from the Town of Carbondale's Revolving Loan Fund Program ("Program"). As an applicant for this funding, I acknowledge and agree that, unlike lenders, the Town of Carbondale ("Town") is a local government entity that is subject to many laws that require meetings and records to be open to the public. I also understand that the Town is subject to state and federal law which prevents the Town from improperly discriminating among applicants, but that the Town has limited funding available and that it must therefore exercise significant discretion in choosing among applicants in order to fulfill its goals of local economic development and community sustainability. As such, I agree that my loan application will be subject to the following terms and conditions:

1. The Program will be administered according to all applicable laws, including laws requiring that any parts of the process be made public. As such, and to the extent required by state or federal law, any meetings by the Town and/or its Revolving Loan Fund Review Committee ("Committee") with regard to the review, consideration, approval or rejection of any loan application may be open to the public. Similarly, all related documentation, including the financial information of any and all Applicants may be made available for public inspection if required by law. I may be requested to give my permission for the Town to obtain a credit report as to me or my business' financial affairs. Should I give such consent, I acknowledge that even this information could be provided to the public.
2. I acknowledge that the Town and the Committee will have broad discretion to recommend approval or denial of any loan application, and to promote certain industries that are more desirable to the Town for one reason or another. For instance, the Committee will consider many subjective factors, including but not limited to the environmental impact of my business, how many jobs might be created, the long-term sustainability of my industry, and the compatibility of my business with the Town's existing business community. However, in no event will the Town or the Committee be entitled to improperly discriminate against me or my business on the basis of race, religion, national origin, sex or age.
3. I recognize that loans will be approved for business or commercial purposes only and only for businesses located within the Town. In no event shall funds from any loan be made available or used for personal reasons.
4. I hereby release the Town of Carbondale, its agents, employees, insurers and/or the members of the Committee from any and all liability for any damages or injuries that may be incurred arising from, or in any way related to, my involvement in the Program. This release includes claims based on equal protection or discrimination grounds as well as claims of any type whatsoever that I may have with regard to the potential disclosure of me or my business' confidential or private information to the public at large, including any information that may be considered proprietary information or trade secret. This release extends to all types of claims, including claims based on negligence or breach of contract.

5. I know that I was free to choose not to pursue a loan application instead of agreeing to the terms of this document. I also acknowledge that I had the opportunity to have an attorney review this document prior to signing it and that, to the extent that I chose not to do so, such choice was made voluntarily and with knowledge that the document may have significant legal consequences.
6. This document shall be construed according to Colorado law. The prevailing party in any litigation arising out of the document shall be entitled to recover reasonable attorneys' fees and costs.

Applicant Signature

Name of Business

Date