

# TOWN OF CARRBORO – REVOLVING LOAN FUND CRLF-1

Adopted June 5, 2012

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| 1. The project must be located within the town limits of Carrboro.  |
| 2. Project description; <ul style="list-style-type: none"><li>• Location , floor plans, and square footage</li><li>• Type of service, retail, technology or manufacturing business proposed</li><li>• First year’s itemized initial start up cost</li><li>• Three to five years estimated cost/revenues</li><li>• Description of other sources of capital funding</li><li>• Financial need to include specific need for revolving loan funds in addition to or in lieu of private financing</li></ul> |
| 3. Project benefit: <ul style="list-style-type: none"><li>• Estimated annual sales</li><li>• Number of jobs created and annual salaries</li><li>• Improvement to Real Property</li></ul>  |
| 4. Describe how the project will serve the community, who are the targeted clients/customers, how are these needs not being met, and how will this project will satisfy those needs.  |
| 5. A detailed budget of startup cost and 3 to 5 years pro-forma cost/revenue analysis.  |
| 6. Applicants must comply with all applicable Fair Labor Wage laws. Jobs created should demonstrate living wage salaries ( <i>living wage salaries are defined as a wage sufficient to meet the basic necessities and comforts essential to an acceptable standard of living</i> ) and commitment to employee retention.  |
| 7. Project should be able to demonstrate commitment of at least 50% of start-up and 1 <sup>st</sup> year operating expenses.  |
| 8. Project must create or retain at least one full-time position for every \$25,000 in loan request. At least 51% of the jobs created must be filled by persons who earned less than 80% of the median income for the county they lived in the previous 12 months.  |
| 9. Documentation of commitment of other sources of capital.   |
| 10. The applicant must demonstrate an ability to repay loan with a personal credit report. Submitted with the application must be a personal (or business if existing business) financial statements and a deed for real property to adequately collateralize the loan.   |
| 11. Projects must be consistent with Town policies and ordinances. Although competition is not viewed as a negative impact for existing businesses, data must be presented as to the need for duplication in existing services or products.   |
| 12. The Town of Carrboro wishes to attract <b>locally owned</b> sustainable business enterprises that are environmentally and socially responsible. <b>Businesses</b> should demonstrate the ability to be economically viable within a three year timeframe. <b>Businesses that are locally owned and</b> that serve persons of low/moderate income, underserved and disadvantaged populations or that are mission driven and fulfill a social need are encouraged.                                  |
| 13. Loan funds may be allocated on a defined schedule, if after one year the applicant has not used the funds. A request for an extension of the loan would need to be reviewed by the Board of Aldermen.   |
| 14. Loans are made at the discretion of the Town Board of Aldermen and subject to loan pool availability.   |
| 15. <i>Loan recipients will not discriminate against any individual on the basis of race, color, religion, sex, gender, national origin, disability, sexual orientation or gender expression/identity in any of business activities or operations whether financed in whole or in part by funds received by the Town.</i>   |