Local Option Economic Development & Economic Enhancement Fund Application

Here We Grow

CITY OF FREMONT NEBRASKA

Local Option Economic Development Loan Fund and Economic Enhancement Fund Application

The purpose of the Local Option Development Plan Loan and Economic Enhancement Fund is to encourage population growth, new industries, and investment in the community. Funds are offered to businesses in the form of low or 0% interest loans and performance-based forgivable loans (grants), based upon creation of new jobs and investment in Fremont. Businesses must provide matching funds for the project.

Potential City uses include land improvements; public infrastructure; building acquisition and improvements; retail industry; service industry; other new industry; equipment, working capital, job training and buy-down leases for Primary Industry; equipment, job training, buy-down leases, land improvements, building acquisition and improvements and infrastructure for Non-primary Industry; and other economic development activities allowed by statue.

Eligible activities under the Economic Development Plan may include the following to attract new and existing business and industry development in Fremont.

- Land purchase/options
- Infrastructure to new or existing business and industry
- Site improvements
- Construction for new or existing business or industry or on a speculative basis

The matrix for the two programs include:

Interest Rate Qualification Criteria:

Jobs	
Compensation	Interest Rate
> $25.00/hour and benefits	0%
> $20.00/hour and benefits	2%
< $20.00/hour and benefits	4%
No benefits offered	6%

Benefits = 50% of the cost of health insurance paid by the employer

Investment	
City Participation	Interest Rate
<10%	0%
10% - 19.99%	2%
20% - 29%	4%
30% +	6%

Sales Tax - *Based on initial years taxable sales*	
Taxable Sales	Interest Rate
>$999,999	0%
$500,000 - $999,999	2%
$250,000 - $499,999	4%
$50,000 - $249,999	6%

Businesses will be given the benefit of the category under which they meet the requirements for the lowest interest rate. Based on staff discretion, up to a 2% reduction will be provided if multiple categories are met. The interest rate will never be less than 0%.

Loans will be structured as at-risk or performance based forgiveness. To qualify for a performance based forgiveness loan, the applicant must:

Pay employees at 125% of the Dodge County average wage; and Have taxable investment greater than $2.5 million dollars, or Have taxable sales greater than $2.5 million dollars.

Note: Based on special circumstances, staff can make recommendations to the City council outside of these parameters.

To be considered for financial assistance, applicants must provide a completed application, including all applicable attachments. Return competed application to

City of Fremont
Attn: Grant Coordinator
400 E. Military
Fremont, NE 68025

City of Fremont, Nebraska
Request for Assistance Agreement

THIS REQUEST, is made on this _____ date of _____, 20_____, by _____,
of _____
(hereinafter referred to as "Applicant" to the City of Fremont, Nebraska hereinafter referred to as the "City".

WITNESSETH:

WHEREAS, APPLICANT has requested the CITY to investigate the feasibility of obtaining a Local Option Development Plan Loan or Economic Enhancement Loan in connection with the financing of a project to be undertaken by APPLICANT.

NOW, THEREFORE, in consideration of the request the following may be done.

1. City agrees to work with the Applicant to investigate the feasibility of obtaining financing through a Local Option Development Plan Loan or Economic Enhancement Loan for the Project. City will investigate the financial condition of Applicant and determine whether or not a Local Option Development Plan Loan Application or Economic Enhancement Loan Application is appropriate. City will submit the needed paperwork for a Local Option Development Plan Loan or Economic Enhancement Loan for the Applicant to the appropriate committees and City Council, if:

    - Applicant is within the eligibility criteria and the Project is likely to be approved by the City Council for a Local Option Development Plan or Economic Enhancement Loan, and;

    - All other elements of the Project can be financed and/or paid for through the infusion of equity capital by the Applicant.

2. If the City determines, in its sole discretion, that the Applicant is eligible for a Local Option Development Plan Loan or Economic Enhancement Loan, then, and in such event, City will advise and consult with the Applicant in the preparation by the Applicant for a complete set of Loan documents together with supporting exhibits, for the purpose of making applications for an Local Option Development Plan Loan or Economic Enhancement Loan (hereinafter referred to as the "Loan Package"). The Loan Package shall be for the sole benefit of the Applicant provided however, that such Loan Package shall be used by the City in connection with the Application for a City Loan on behalf of the Applicant, provided, however, that the Loan Package may be used by the Applicant in seeking financial assistance or guarantees from other governmental agencies and/or private lenders.

3. Applicant hereby acknowledges that the Applicant is charged with the actual responsibility of preparing the Loan Package, and that the City's sole responsibility in connection with the preparation of the Loan Package shall be to consult with and advise the Applicant. The Applicant further acknowledges that the Applicant will be required to promptly and accurately supply financial information concerning the Project, the operation of Project, together with the manner, method and terms of financing the Project. Applicant further specifically acknowledges and agrees that the obtaining of a Local Option Development Plan Loan or Economic Enhancement Loan, or any other financing is dependent upon many factors that the City cannot control, including but not limited to economic factors and the decisions of the City Council, accordingly, the City does not guarantee that the Applicant will obtain financing for the Project. Applicant hereby covenants and agrees that the City shall not be responsible, in any manner, or liable to the Applicant or any other person in the event that the Applicant is unable to obtain a Local Option Development Plan Loan or Economic Enhancement Loan for the Project, or any other type of financing for the Project, whether from the City or any other governmental or public source, or from any private financing sources. Applicant also further covenants and agrees that the City shall not be liable for any of the debts or obligations incurred in and for the assistance of benefit of the Applicant. Applicant further agrees that the Applicant will hold the City harmless, and pay all costs and expenses, including attorney's fees, in the event that any claim in made or lawsuit is filed by or against the City arising out of any transaction with or assistance to the Applicant which may in any way be connected with the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed, caused to be duly executed this Agreement, and have affixed or caused to be duly affixed hereto there seals, this _____ day of _____, 20_____.

APPLICANT

BY:

Local Option Economic Development Loan Fund and Economic Enhancement Fund Application

(Application is an Official Public Document)

CITY OF FREMONT NEBRASKA

Part I

A. Business Borrower Information

Name of Business to receive assistance: _____

Address: _____
(City, State & ZIP)

Representative Contact Information

Name: _____ Email: _____

Title: _____ Phone: _____

Business Clarification (mark one)

- ☐ Manufacturing
- ☐ Warehousing & Distribution
- ☐ Service
- ☐ Research & Development
- ☐ Administrative Management Headquarters

Federal Tax ID #

Business Organization (mark one)

- ☐ Proprietorship
- ☐ Corporation
- ☐ Partnership
- ☐ Other

Does the Company have a Parent or Subsidiaries?

- ☐ Yes
- ☐ No

If yes, identify name: _____

Address: _____
(City, State & ZIP)

Business Type

- ☐ Start-up (0-5 years old)
- ☐ Buyout
- ☐ Existing

If existing, how many years in Business?

Ownership Identification: List all officers, directors, partners, owners, co-owners and all stakeholders with 20% or more of the stock.

Name	Title	Ownership %

Employment Information

Personnel (Full-Time Equivalent, FTE is based upon 2,080 hours per year)

Existing number of FTE Positions:

FTE Positions to be created within _____ months of Application Approval:

If jobs would be lost without loan approval, total number of FTE jobs retained:

What is the average wage for employees?

Please describe all benefits which the business provides to employees:

B. Project Information

Use of Funds	Total Project Cost	Loan Funds Requested	Total Funds
Land Acquisition			
Building Acquisition			
Renovation			
New Facility Construction			
Acquisition of Machinery/Equipment			
Acquisition of Furniture/Fixtures			
Working Capital (Includes Inventory)			
Other (Specify)			
Total			

Project Schedule:

C. Sources of Funds

Note: Public sources of financing requires the participation of a Bank and/or an injection of equity (non-debt funds).

Participating Lender Information:

Name of Lending Institution: _____

Contact Person: _____

Address: _____ Phone: _____

(City, State & ZIP)

Loan Amount: $ Loan Term (Yrs):

Interest Rate: Variable: Fixed:

Collateral Required: Equity Required:

Equity Information:

Amount Available from business or owners for investment: $

Source of owner's equity into project into the project:

Project Location:

- ☐ Within the City Limits (Fremont)
- ☐ Outside of City Limits but within the Zoning Jurisdiction of (Fremont)
- ☐ Unincorporated Area (Dodge County)

D. Attach the Following (Items 8-13 shall be considered confidential)

Brief Desription of the Business' history:

Brief Description of the proposed project. Has any part of this project been started?

Description of impact of project on Applicant and Community:

Have you ever declared bankruptcy?

☐ Yes

☐ No

If yes, bankruptcy chapter: Case #: Date:

Are there any unsatisfied judgments again you?

☐ Yes

☐ No

Amount per month: To Whom:

Are you a party to a lawsuit?

Give details:

☐ 3-year historical balance sheets and operating statements. Current statements less than 90 days old. (Existing businesses only). Provide the following and reconcile to current balance sheet.

- ☐ Aging of Accounts Payable and Accounts Receivable
- ☐ List of current obligations

☐ Personal financial statement and resumes for each person owning 20% or more of the business.

☐ Credit Report from Credit Reporting Agency. Contact your bank for more information.

☐ Monthly cash flow analysis for the next 12 months and for new businesses, 3 months beyond the breakeven point.

☐ Indemnification Agreement

☐ Tax returns for the last two years.

Once all documents have been received, the City of Fremont staff will review the application if it meets the Local Option Economic Development Plan Fund or Economic Enhancement Loan Fund eligibility requirements. If eligible, a meeting will be scheduled with you.

The above information is accurate to the best of my knowledge and belief. The above information is provided to help you evaluate the feasibility of obtaining public financial assistance. I understand that pages 1-3 of the application are public information and are subject to public disclosure during the application process.

Signature Dated

Request for Protected Record Status

(Business Confidentiality Claim)

Name and address of business and representative making this confidentiality claim (please print or type:)

I request the attached/enclosed information (record) provided to the City of Fremont or any of its agencies (divisions or programs), be considered confidential and given protected status.

Description (optional) of the information (record) which is to be coved by this confidentiality claim and which you believe qualifies for protected status.

The following reasons support this claim of business confidentiality. Please check all of the following which apply.

☐ The record provided is a trade secret

☐ The record is commercial or non-individual financial information and disclosure of the infomration could reasonably be expected to result in unfair competitive injury to the provider of the information.

☐ The record is commercial or non-individual information and disclosure of the information could reasonable be expected to impair the ability of the City of Fremont, or its agencies, to obtain necessary information in the future.

☐ The record is commercial or non-individual financial information and the interest of the provider in prohibiting access to the information is greater than the interest of the public obtaining access.

☐ The information would reveal negotiations regarding assistance or incentives offered by or requested from the City of Fremont for the purpose of encouraging a person to expand or locate a business in Fremont, but only if disclosure would result in actual economic harm to the person or place the City of Fremont at a competitive disadvantage. NOTICE: Records evidencing a final contract may not be classifed protected under this section.

Statement (a concise written statement supporting a business confidentiality claim is required, use reverse side of this sheet or attach additional sheets if necessary.

NOTE: Claimant shall be notified if a record claimed to be protected is classified public or if the determination is made that the record should be disclosed because the interest favoring access outweigh the interest favoring restriction of access. Records claimed to be protected under this business confidentiality claim will be reviewed by the City Attorney for the City of Fremont for final determination. The City Attorney will notify applicant if any documents would be deemed public records.

By Date

PERSONAL FINANCIAL STATEMENT

As of _____ 20_____

(Confidential Document Information)

Complete this form if: 1) a sole proprietorship by the proprietor; 2) a partnership by each partner; 3) a corporation by each officer and each stockholder with 20% or more ownership; 4) any other person or entity providing a guaranty on the loan.

Name:

Residence Phone:

Residence Address:

Business Name of Applicant/Borrower

Assets (Omit Cents)		Liabilities (Omit Cents)	
Cash on hand & in Banks	$	**Accounts Payable**	$
Savings Account	$	**Notes Payable (to Bank & Others)** (Describe in Section 2)	$
IRA	$		
Accounts & Notes Receivable (Describe in Section 6)	$	**Installment Account (Auto)** Mo. Payments	$
Life Insurance - Cash Surrender Value Only	$	**Installment Account (Other)** Mo. Payments	$
Stocks and Bonds (Describe in Section 3)	$	**Loans on Life Insurance**	$
		Mortgages on Real Estate (Describe in Section 4)	$
Real Estate (Describe in Section 4)	$	**Unpaid Taxes** (Describe in Section 7)	$
Automobile - Present Value	$		
Other Personal Property (Describe in Section 5)	$	**Other Liabilities** (Describe in Section 8)	$
Other Assets (Describe in Section 6)	$	**Total Liabilities**	$
		Net Worth	$
Total	$	**Total**	$

Section 1. Source of Income		Contingent Liabilities	
Salary: $	As endorser or Co-Maker $	Net Investment Income: $	Legal Claims & Judgments: $
Real Estate Income $	Provision for Fed In-come Tax $	Other Income (Describe) $	Other Special Debt $

Description of items listed in Section 1:

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

Section 2. Notes Payable to Banks and others.

Name & Address of Noteholder	Original Balance	Current Balance	Payment Amount	Terms (Monthly -etc)	How Secured or Endorsed - Type of Collateral

Section 3. Stocks and Bonds (Use separate sheet if necessary)				
No. of Shares	Names of Securities	Cost	Market Value Quotation/Exchange	Date Amount

Section 4. Real Estate Owned. *(List each parcel separately. Use supplemental sheets if necessary. Each sheet must be identified as a supplment to this statement and signed.)*							
Address - Type of property	Title is in name of	Date Purchased	Original Cost	Present Value	Mortgage Balance	Amount of Payment	Status of Mortgage

Section 5. Other Personal Property. *(Describe, and if any is mortgage holder and amount of mortgage, terms of payment, and if delinquent, describe delinquency.)*

Section 6. Other Assets Notes & Accounts Receivable. *Describe.*

Section 7. Unpaid Taxes. *(Describe in detail, as to type, to whom payable, when due, amount, and what, if any, property the tax lien attaches).*

Section 8. Other Liabilities. *Describe in detail.*

Section 9. Life Insurance Held. *(Give face value amount of policies - name of company and beneficiaries.*

The City of Fremont is authorized to make all inquiries deemed necessary to verify the accuracy of the statements made herein and to determine my/our creditworthiness.

(I) or (We) certify the above and the statements contained in the schedules herein are a true and accurate statement of (my) or (our) financial condition as of the date stated herein.

Signature	Social Security Number	Date
Signature	Social Security Number	Date