



Here We Grow

LOCAL OPTION ECONOMIC DEVELOPMENT FUND APPLICATION & GUIDELINES

City of Fremont, Nebraska

Revised November 2024

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PROGRAM OVERVIEW

City of Fremont Local Option Economic Development Fund Program

The purpose of the **Local Option Development Plan Loan** 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 multiple factors, including creation of new jobs and investment in Fremont. **Businesses must provide matching funds for the project.**

Potential uses include land improvements; public infrastructure; building acquisition and improvements; retail industry; service industry; other new industries; 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 (an industry that does not involve the extraction of raw materials); and other economic development activities allowed by statute.

Eligible activities under the Economic Development Plan may include the following to attract new and existing business and industry development in Fremont. For a full list of eligible activities, review the City of Fremont's Local Option Economic Development Plan at www.fremontne.gov/595/LB-840

- Direct loans or grants to qualifying businesses for:
 - fixed assets or working capital or both
 - public works improvements which are essential to the location or expansion of, or the provision of new services
 - job training
 - purchase of real estate, options for such purchases, and the renewal or extension of such options
 - the issuance of bonds as provided for in the Local Option Municipal Economic Development Act
 - rural infrastructure development as defined in Neb. Rev. Stat. §66-2102
 - tourism related activities
 - daycare/childcare facilities
 - skilled workforce recruitment initiatives
 - the construction rehabilitation for sale or lease of housing for persons of low or moderate income

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

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

Note: Based on special circumstances and/or needs of the City, staff can make recommendations to the City Council outside of these parameters.

To be considered for financial assistance, applicants must provide an Intake Form and subsequently, a completed application, including all applicable attachments. Return completed Intake Form and/or application to:

Angie Olson, Plan Administrator
400 E Military Ave
Fremont, NE 68025
402-727-2637
angie.olson@fremontne.gov

Application Process

Applicant:

The applicant is an eligible business entity as described in the City of Fremont’s Local Option Economic Development Plan, available on the City’s website at: www.fremontne.gov/595/LB-840. The Applicant fills out an Intake Form, available on the City’s website at: www.fremontne.gov/595/LB-840.

Eligible Business:

A business that derives its principal source of income from any of the following:

- Manufacturing
- Research & development
- Processing, storage, transport or sale of goods or commodities in interstate commerce
- Sale of Services in interstate commerce
- Headquarters facilities relating to eligible activities
- Telecommunications activities
- Tourism-related activities (including film)
- Construction and rehabilitation of housing
- Early childhood care and education programs
- Retail trade
- Other business under the Local Option Municipal Economic Development Act

Plan Administrator:

The City of Fremont is the Plan Administrator, responsible for executing the approval process and answering questions related to the Local Option Economic Development Plan and application process. The Plan Administrator also submits a recommendation to the City Council to approve or disapprove the application.

Citizens Advisory Review Committee (CARC):

CARC is a public committee that reviews the application to ensure the project is compliant with the City of Fremont’s Local Option Economic Development Plan. The CARC will submit a determination of application’s compliance to the City Council.

Local Option Review Team (LORT):

LORT is a public committee that reviews the application and considers items, including wages and job creation, community impact and investment, and business management factors. The LORT will make a recommendation to the City Council to approve or disapprove the application.

City Council:

The Fremont City Council is the final decision maker for all applications.

Greater Fremont Development Council (GFDC):

GFDC is the non-profit economic development agency that is available to assist the applicant during the application process. Assistance can include coordinating initial meetings with the Plan Administrator, reviewing the application and providing feedback, and supporting the applicant through the process – all at the applicant’s request.

| Recommendations | Award Process |
|--|--|
| <p>Staff and committees consider several factors when making recommendations, including, but not limited to:</p> <ul style="list-style-type: none"> • Wages paid • Jobs Created (if applicable, jobs retained) • Capital Investment • Local Sales Tax Generation • Community Impact | <p>If an award is approved, the following contracts will be put in place:</p> <ul style="list-style-type: none"> • Economic Development Loan Agreement • Promissory Note(s) • Security Agreement • Personal Guarantee(s) • Any other necessary agreements |

Businesses must provide matching funds for the project. An agreed upon milestone(s) will be included in the loan package documents. Once the milestone(s) is completed, loan funds may be disbursed or forgiveness may be applied, in accordance with the loan package documents.

CITY OF FREMONT, NEBRASKA
**LOCAL OPTION ECONOMIC
DEVELOPMENT APPLICATION PROCESS**

The Local Option Development Plan Loan and Economic Enhancement Fund aim to boost population growth, attract new industries, and encourage community investment. The steps below detail the funding application process.

Submit Intake Form

- Interested applicants submit an Intake Form to the City's Plan Administrator.
- The Plan Administrator reviews the Intake Form with the applicant and invites them to submit a full application if applicable.

1

Application Submission

- The applicant submits an application and support documents to the Plan Administrator, who may request a follow-up meeting.
- The Plan Administrator negotiates an award recommendation and contract terms with applicant.

2

Committee Review

- The Citizens Advisory Review Committee is convened to determine compliance with the Local Option Economic Development Plan.
- The Local Option Review Team is convened to assess the application for its potential economic benefits to the community.

3

City Council Review

- The Plan Administrator presents Citizens Advisory Review Committee and Local Option Review Team recommendations to City Council.
- Contingent upon City Council approval, contracts are executed.

4



More Information at
www.fremontne.gov/595/LB-840

APPLICATION

Intake Form

Businesses interested in applying for Local Option Economic Development Funds should fill out and submit an Intake Form to the Plan Administrator. Intake Forms are available on the City's website at: www.fremontne.gov/595/LB-840

Upon receipt and review the Plan Administrator will set a meeting to discuss the Intake Form and Local Option Economic Development application process. The Plan Administrator will determine if the applicant and project are eligible. If eligible, the Plan Administrator will recommend completion of a full application.

Application Checklist

- Completed Application
 - Completed, signed application form
 - Request for Protected Status form, signed, Attachment A (optional)
 - Personal Financial Statement(s), signed, Attachment B*
 - Request for Assistance Agreement, signed, Attachment C
- Business Plan
- 3-year historical balance sheets, income and cash flow 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 Aging of Accounts Receivable (both for the last year)*
 - List of current obligations and debt schedules*
- Personal financial statement and resumes for each person owning 20% or more of the business*
- Shareholder Agreements for each person owning 20% or more of the business*
- Bank statements, insurance policies, business licenses and permits 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*
- Tax returns for the last two years*

*Denotes a confidential record. All others are considered public information and are subject to public disclosure.

Once a **completed application and all documents** have been received, City of Fremont staff will review the application to determine if it meets the Local Option Economic Development Plan Fund eligibility requirements. If eligible, the Plan Administrator will reach out to begin contract negotiations and recommendations for committees and City Council.

City of Fremont Local Option Economic Development Loan Fund Application

(This application is an Official Public Document and, once submitted, is a public record)

Business Applicant Information

| | |
|---|---|
| <p>Business Contact Information</p> <p>Name of Business:</p> <p>Address:</p> <p>City, State & Zip:</p> <p>Federal Tax ID #</p> | <p>Representative Contact Information</p> <p>Name:</p> <p>Title:</p> <p>Email:</p> <p>Phone:</p> |
| <p>Business Type (mark one)</p> <p><input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Corporation <input type="checkbox"/> Other</p> | <p>Does the Company have a Parent or Subsidiaries?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, identify name:</p> |
| <p>Business Status</p> <p><input type="checkbox"/> Start-up (0-5 years old)</p> <p><input type="checkbox"/> Buyout</p> <p><input type="checkbox"/> Existing</p> <p>If existing, how many years in business?</p> | <p>Business Clarification (mark one)</p> <p><input type="checkbox"/> Manufacturing</p> <p><input type="checkbox"/> Warehousing & Distribution</p> <p><input type="checkbox"/> Service</p> <p><input type="checkbox"/> Research & Development</p> <p><input type="checkbox"/> Administrative Management HQ</p> |
| <p>Eligibility</p> | |
| <p>Principal Source of Income from (check one):</p> <p><input type="checkbox"/> Manufacturing</p> <p><input type="checkbox"/> Research & development</p> <p><input type="checkbox"/> Processing, storage, transport or sale of goods or commodities in interstate commerce</p> <p><input type="checkbox"/> Sale of Services in interstate commerce</p> <p><input type="checkbox"/> Headquarters facilities relating to eligible activities</p> | <p><input type="checkbox"/> Telecommunications activities</p> <p><input type="checkbox"/> Tourism-related activities (including film)</p> <p><input type="checkbox"/> Construction and rehabilitation of housing</p> <p><input type="checkbox"/> Early childhood care and education programs</p> <p><input type="checkbox"/> Retail trade</p> |

Brief Business Summary/History:

Ownership Identification:

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

| Name | Title | % Ownership |
|------|-------|-------------|
| | | |
| | | |
| | | |
| | | |
| | | |

Project Information

| | Applicant Investment | Financial Need |
|--------------------------------------|----------------------|----------------|
| Land Acquisition | | |
| Building Acquisition | | |
| Renovation | | |
| New Facility Construction | | |
| Acquisition of Machinery/Equipment | | |
| Acquisition of Furniture/Fixtures | | |
| Working Capital (includes inventory) | | |
| Other (specify) | | |
| TOTAL: | | |
| PROJECT TOTAL: | | |

Project Location:

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

Project Summary:

Project Timeline (including any part of the project underway):

Employment Summary:

Full-time equivalent (FTE) is based on 2,080 hours per year. An attached summary of positions/titles/details is optional but preferred.

| | |
|--|--|
| Current # of FTE positions: FTE created by project: | Will FTE positions be lost without loan approval? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, how many would approval retain? |
| Please describe all benefits provided to employees: <div style="border: 1px solid black; height: 60px; width: 100%;"></div> | What is the average wage for employees? What is the average wage for positions created? |

Summary of Project Impact on the Applicant and Community:

Funding Sources:

Public sources of financing require the participation of a bank and/or an injection of equity (non-debt funds)

| | |
|--|--|
| Lender Information: | |
| Name of Lending Institution: | |
| Contact Name: | |
| Address: | |
| Phone: | |
| Loan Amount: | Equity Information: |
| Loan Term (yrs): | Collateral Required: |
| Interest Rate: | Equity Required: |
| Variable: Fixed: | |
| Investment amount from business or owners: | Source of owner's equity into the project: |

| | | |
|---|------------------------------|-----------------------------|
| Have any of the majority owners (20% or more) filed bankruptcy? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If yes, bankruptcy chapter: | | |
| Name: | Case #: | Date: |
| Are there any unsatisfied judgements against any majority owner(s)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If yes: Name: | Amount per month: | To Whom: |
| Are any of the majority business owners (20% or more) party to a lawsuit? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If yes, provide details: | | |
| | | |

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

The above information, application and documents submitted in relation to this application are accurate to the best of my knowledge and belief and are provided to help you evaluate the feasibility of obtaining public financial assistance. I understand that pages 6-8 of the application are public information and are subject to public disclosure during the application process.

Signature:

Date:

Attachment A
Request for Protected Record Status

(Business Confidentiality Claim Nebraska Revised Statute 84-712.05(3))

Name and address of business and representative making this confidentiality claim:

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 covered by this confidentiality claim and which you believe qualifies for protected status.

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

- The record provided is a trade secret.
- The record is commercial or non-individual financial information and disclosure of the information 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 reasonably 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 classified 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.

Signature:

Date:

Attachment B
Personal Financial Statement
 Confidential Document Information

Complete this form in the following manner:

- 1) For sole proprietorships, by the proprietor
- 2) For partnerships, by each partner
- 3) For corporations, by each officer and each stockholder with 20% or more ownership
- 4) Any other person or entity providing a guaranty on the loan

| | |
|---|-----------------------------|
| Name: | Personal Phone: |
| Home Address: | Business Name of Applicant: |
| This information is current as of the following date: | |

| Assets (Omit Cents) | | Liabilities (Omit Cents) | |
|---|--|---|--|
| Cash on hand & in Banks Savings Account IRA Accounts & Notes Receivable Life Insurance - Cash Surrender Value Only Stocks and Bonds Real Estate Automobile - Present Value Other Personal Property Other Assets Total | | Accounts Payable Notes Payable (to Bank & Others) Installment Account (Auto/Monthly) Installment Account (Other/Monthly) Loans on Life Insurance Mortgages on Real Estate Unpaid Taxes Other Liabilities Total Liabilities Net Worth Total | |
| Source(s) of Income | | Description of Items listed in Source of Income section: (if preferred, alimony/child support can be excluded) | |
| Salary Net Investment Income Real Estate Income Other Income (describe) | | | |
| Contingent Liabilities | | | |
| Total Contingent Liabilities Ex: pending lawsuits, loan guarantees, tax liability disputes. | | | |

| Notes Payable to Banks and others | | | | | |
|-----------------------------------|------------------|-----------------|----------------|-----------------------|--------------------------------------|
| Name/Address of Noteholder | Original Balance | Current Balance | Payment Amount | Terms (Monthly, etc.) | How Secured/Endorsed Collateral Type |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| Stocks and Bonds (Use additional sheets, if necessary and identify as "Supplement to this Statement," with signature) | | | | |
|---|---------------------|------|---------------------------------|-------------|
| No. of Shares | Names of Securities | Cost | Market Value Quotation/Exchange | Date Amount |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| Real Estate Owned (List each parcel separately. Use additional sheets, if necessary and identify as "Supplement to this Statement," with signature) | | | | |
|---|---------------------|------|---------------------------------|-------------|
| No. of Shares | Names of Securities | Cost | Market Value Quotation/Exchange | Date Amount |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

From assets summary above, describe Other Personal Property. (including if any is mortgage holder and amount of mortgage, terms of payment, and if delinquent, describe delinquency.)

From assets summary above, describe Other Assets Notes & Accounts Receivable.

From assets summary above, describe Unpaid Taxes. (Describe in detail, including type, to whom payable, when due, amount, and what, if any, property the tax lien attaches).

From assets summary above, describe Life Insurance Held. (Give face value amount of policies - name of company and beneficiaries)

From assets summary above, describe Other Liabilities in detail.

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

Signature

Social Security Number

Date

Signature

Social Security Number

Date

ATTACHMENT C
City of Fremont, Nebraska
Request for Assistance Agreement

THIS REQUEST, is made on _____ 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 investigate the feasibility of obtaining a Local Option Development Plan Loan in connection with the financing of a project (“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 for the Project. City will investigate the financial condition of Applicant and determine whether or not a Local Option Development Plan Loan Application is appropriate. City will submit the needed paperwork for a Local Option Development Plan Loan for the Applicant to the appropriate committees and City Council, if:
 - a. **Applicant is within the eligibility criteria and the Project is likely to be approved by the City Council for a Local Option Development Plan Loan, and;**
 - b. **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, 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 a Local Option Development Plan 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:
 - a. 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.
 - b. 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.
 - c. Applicant further specifically acknowledges and agrees that the obtaining of a Local Option Development Plan 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 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.
4. 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.

Applicant Signature:

Date: