



City of Ashland, Ohio **Revolving Loan Fund Guidelines**

INTRODUCTION

The Ashland City/County Revolving Loan Fund Programs are designed to provide financial assistance to businesses and industries located within Ashland City/County.

The City of Ashland and Ashland County will provide loans at a rate below prime. The primary goal of the RLF's is to create and retain jobs for low-to-moderate income residents of Ashland City/County.

ELIGIBILITY

Most companies with the exception of non-profit businesses and financial institutions are eligible for assistance.

Eligible uses include:

- ◆ Purchase of machinery and equipment
- ◆ Building renovation and construction
- ◆ Land acquisition

Ineligible uses include refinancing, retirement of existing debts, non-capital equipment purchases, inventory, operational costs, training costs and soft costs such as fees and licenses.

NO RETROACTIVITY

No loans will be made available **after** the investment in land, building, and/or equipment has already occurred. No part of the project shall move forward or be closed prior to receiving an environmental release from OHCP on the entire project.

OTHER REQUIREMENTS

- ◆ At least one (1) job must be created for every \$25,000 loaned. Job creation must take place within 18 months of the project's completion.
- ◆ At least 51% of all jobs must be made available for low and moderate income individuals
- ◆ Each dollar must leverage at least one dollar of other public or private investment (including equity and contributed equity) in the project's fixed assets costs; RLF cannot be more than 50% of this project.
- ◆ The owner/developer must invest at least 5% in cash equity toward the project's fixed asset costs.
- ◆ At least 15% of the project's fixed asset costs must be privately financed—this may include owners/developers equity.

REQUIRED DOCUMENTATION

Applicants shall file a pre-application with the Economic Development Office. Should the project meet the program requirements, additional documentation will be required. This includes financial statements, commitment letters from additional lenders, 3rd party equipment appraisals, etc.

FOR ADDITIONAL INFORMATION, CONTACT:

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