



MIKE COOPER
Mayor

CITY OF COVINGTON

ECONOMIC DEVELOPMENT

317 North Jefferson Avenue

Post Office Box 778

Covington, Louisiana 70434

phone 985.898.4715

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LOW INTEREST LOAN INFORMATION

A financial incentive for locating or expanding your small business in the City of Covington, a program of the Covington Economic Development Office—

The Covington Economic Development team is a dynamic entity created by the City of Covington to stimulate municipal economic growth and development. The staff is committed to creating quality jobs and increasing economic prosperity through building strong retail, professional and cultural entities to benefit the City and Region.

This institution is an equal opportunity provider—

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, gender, marital status, handicap or age (provided that the applicant has the capacity to enter into a binding contract); because all or part of an applicant's income is derived from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law is the Federal Trade Commission, Equal Credit Opportunity, Washington, DC 20580.

Eligible Projects—

Land acquisition for commercial use, new construction/expansion/renovation, machinery and equipment costs, inventory acquisition, working capital, facility development costs (water lines, sewer lines, access roads)

Overall Requirements—

Highest priority will be given to projects creating at least one job per every \$10,000 in loan funds. Projects will be given 24 months from start-up to develop required number of jobs. A \$300.00 closing fee to the City of Covington is required to cover costs associated with recordation and professional services (if loan is approved).

1. No project will be allowed to finance more than 75% of total costs or more than \$25,000 from loan pool program.
2. Rates may be as low as 3% in Historic District and 6% elsewhere within the city limits of Covington for loans up to \$25,000. The interest rate will vary and will be below prime and will be set on a case-by-case basis by the Loan Review Committee.
3. Amortization Period: up to 10 years.

Application Process—

1. Initial meeting with Economic Development Team to determine eligibility and to gain an understanding of the application process.
2. Complete loan application packet.
3. Provide a brief description of the project, including total costs, amount of loan funds requested, purpose of loan and terms requested.
4. Specify number of jobs to be retained and/or created within two-year period.
5. Loan Review Committee will review application.
6. The applicant will be given notification of loan closing procedure.

FINANCIAL INFORMATION REQUIRED

New Business

1. Business Plan
2. Three most recent, consecutive-year tax returns
3. Legal description of property, if applicable
4. Credit report (current)
5. Personal financial statements

Existing Business

1. Three most recent, consecutive-year tax returns
2. Current financial statements, including balance sheets and income statements
3. Business plan and projected balance sheets
4. Credit report (current)
5. Personal financial statements
6. Location map

Non-Financial Information

1. Estimates, quotations, receipts, etc. relative to acquisition and/or repair of machinery and equipment
2. Completed Loan Application Form
3. Additional information relative to collateral, appraisals, valuations of non-profit assets, and guarantees
4. Narrative

Other Required Forms

1. RD Form 1940-20 "Request for Environmental Information"
2. FEMA Form 81-93 "Standard Flood Hazard Determination"
3. RD Form 400-4 "Assurance Agreement"
4. Form For Government Monitoring Purposes



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LOAN INTEREST LOAN APPLICATION

1. APPLICANT

Date _____ Email _____

Name of Project Name of Applicant (President/CEO)

Address (location) of Project Address

City State Zip City State Zip

Phone Cell Social Security Number/Employer Tax ID Number

Owner's Signature Co Owner's Signature (if applicable)

Type of Business/Project and Financing:

Proprietorship _____ Partnership _____ Corporation _____ **Total Project Cost** _____

Amount of Covington Economic Development Loan Request _____

Term of Loan _____

Other funding sources and amounts:

Funding Source _____ Amount _____

Funding Source _____ Amount _____

Funding Source _____ Amount _____

Economic Impact if Loan is approved:

Existing Jobs Saved _____ New Permanent Jobs Created _____ **Net Total Jobs** _____

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2. USE OF PROCEEDS

	Loan Funds	Other Funds
Land Acquisition	\$ _____	\$ _____
New Constructiton/Expansion/Renovation	\$ _____	\$ _____
Inventory	\$ _____	\$ _____
Furniture/Fixture	\$ _____	\$ _____
Acquisition and/or Repair of Machinery or Equipment (attach list of equipment and cost)	\$ _____	\$ _____
Working Capital	\$ _____	\$ _____
Other	\$ _____	\$ _____
TOTAL	\$ _____	\$ _____

3. SUMMARY OF COLLATERAL OFFERED:

Attach detail list of collateral offered. Collateral lists additionally should include the year acquired, original cost, present market value, current balance owed and name of lien holder.

Item	Cost	Net Book Value	Present Liens or Mortgage Balance (if any)
Land and Building	/ _____ /	_____ /	_____ /
Machinery and Equipment	/ _____ /	_____ /	_____ /
Other (Specify)	/ _____ /	_____ /	_____ /

4. AS ADDITIONAL SECURITY, PAYMENT OF THE LOAN WILL BE GUARANTEED BY:

List name, address, city, state, zip code, phone number, social security number and net worth of guarantor (principle must submit a signed balance sheet as of same date as the applicant).

Name _____ Address _____

City _____ State _____ Zip _____

Phone _____ SS# _____ Net Worth _____

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Name _____ Address _____

City _____ State _____ Zip _____

Phone _____ SS# _____ Net Worth _____

Name _____ Address _____

City _____ State _____ Zip _____

Phone _____ SS# _____ Net Worth _____

If you need additional space, please list on a separate piece of paper.

5. MANAGEMENT/RELATED ENTITIES:

Enter (a) names of all owners, officers, directors, or partners and the hired manager and all employees receiving in excess of \$17,500 annually; (b) the office held; (c) their annual compensation; (d) their percent of ownership in the company; (e) any other equity which is owned over 10%; and (f) any insurance carried for the benefit of the applicant.

Name _____ Address _____

City _____ State _____ Zip _____ Phone _____

Office Held _____ Annual Compensation _____

Percent of Ownership _____ Equity owned over 10% _____

Insurance carried for benefit of the applicant _____

Name _____ Address _____

City _____ State _____ Zip _____ Phone _____

Office Held _____ Annual Compensation _____

Percent of Ownership _____ Equity owned over 10% _____

Insurance carried for benefit of the applicant _____

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Name _____ Address _____

City _____ State _____ Zip _____ Phone _____

Office Held _____ Annual Compensation _____

Percent of Ownership _____ Equity owned over 10% _____

Insurance carried for benefit of the applicant _____

If you need additional space, please list on a separate piece of paper.

6. SIGNATURES OF EACH PERSON LISTED IN SECTION 5 ABOVE:

By signing, each person hereby certifies that neither he/she nor his/her spouse is related to any member of the Economic Development Office or employee of Covington’s City Government by blood or marriage with the 3rd degree.

Print Name _____ Signature _____

Print Name _____ Signature _____

Print Name _____ Signature _____

If you need additional space, please list on a separate piece of paper.

7. LIST OF ATTORNEYS AND ACCOUNTANTS:

Attorney Name _____ Address _____

City _____ State _____ Zip _____

Phone Number _____ Name of Firm _____

Email _____

Accountant Name _____ Address _____

City _____ State _____ Zip _____

Phone Number _____ Name of Firm _____

Email _____

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8. EPA CERTIFICATION:

Are any of the facilities under your ownership, lease or supervision to be utilized in the accomplishment of this project, either listed or under consideration for listing on the Environmental Protection Agency's list of Violating Facilities?

() Yes () No

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9. RECEIVERSHIP/BANKRUPTCY:

Has the applicant or any officer of the applicant or affiliates or any other concern with which such officer has been connected ever been in receivership or adjudicated a bankruptcy?

() Yes () No

Applicant Name _____ **Date** ____ / ____ / ____

Applicant's Signature _____

Applicant's Title _____

Return completed application with \$100.00 application fee to:

Covington Department of Economic Development
P. O. Box 778, Covington, Louisiana 70434
Phone (985) 898-4715