

# CLUSTER INITIATIVE FORGIVABLE LOAN PROGRAM

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## Program Overview

### **Revolving Loan Fund**

The Commercial Revitalization and Community Sustainability Revolving Loan Fund establishes loan resources for the purposes of supporting business growth, commercial revitalization, and overall community sustainability within the City; to foster and encourage investment in existing businesses, commercial buildings, specific building improvements, and façade improvements and to foster and encourage economic development within the City through the creation and retention of employment opportunities.

### **Forgivable Loan Fund**

The City of Beachwood Regenerative Forgivable Loan Program encourages investments supporting the City's growing cluster initiatives and commercial revitalization in the City's targeted commercial areas. The funding for this forgivable loan program will be set annually and such program will only be available with approved funding by City Council.

### **Eligibility**

Entities eligible to apply for the Beachwood Forgivable Loan Program include a business or property owner making investments that support the City's key economic development objectives influencing growth in key industry clusters with growth focused on commercialization, innovation, technology, research, and development.

### **Forgivable Loan Fund Process**

Each business owner or property owner making a forgivable loan request must apply and demonstrate that other sources of funding are being applied and the loan is necessary to permit the completion or successful operation of the activity to be financed. The forgivable loan program will provide companies and property owners within Beachwood a commercial loan forgivable based on the committed increased payroll associated with the project. The borrower will apply to the Office of Economic Development utilizing this application form. The City of Beachwood's administration will provide the loan to a loan review committee for which additional information may be required to be provided. The loan review committee will make a recommendation for which City administration will use in determining any final loan approvals. All loans will require action from the City Council.

**Application Fee:** \$350 payable to the City of Beachwood

## Forgivable Loan Fund Application

Applicants seeking a forgivable loan through the City of Beachwood program must submit the following application for consideration. All applicable information as requested in this form must be provided, and the applicant is responsible for the accuracy of the information submitted.

**I. Applicant Information:** Please provide the legal name, address and other contact information of the property owner, (hereinafter “Applicant or Company”) for this request.

- a. Applicant Name(s): \_\_\_\_\_
- b. Contact Name(s): \_\_\_\_\_
- c. Applicant Mailing Address: \_\_\_\_\_
- d. City/State/Zip: \_\_\_\_\_
- e. Email Address: \_\_\_\_\_
- f. Website Address: \_\_\_\_\_
- g. Daytime Phone #: \_\_\_\_\_ Fax: \_\_\_\_\_
- h. Federal Tax ID#: \_\_\_\_\_

**II. Affiliated Company Information:** If there is/are another company(ies) (hereinafter “Affiliate(s)”) that will benefit from the receipt of this economic development incentive program, please list the appropriate contact information for each company. (An Affiliate is defined as any company in which either the Applicant, or Applicant’s principals, has a financial interest.)

- a. Affiliate Name(s): \_\_\_\_\_
- b. Contact Name(s): \_\_\_\_\_
- c. Affiliate Relationship to Applicant: \_\_\_\_\_
- d. Affiliate Mailing Address: \_\_\_\_\_
- e. City/State/Zip: \_\_\_\_\_
- f. Email Address: \_\_\_\_\_
- g. Website Address: \_\_\_\_\_
- h. Daytime Phone #: \_\_\_\_\_ Fax: \_\_\_\_\_
- i. Federal Tax ID#: \_\_\_\_\_

**III. Project Location:** Please specify the street address of the proposed project.

Project Street Address: \_\_\_\_\_

**IV. Time In Business:** How long has the Company/Affiliate to benefit from the incentive program been in existence?

Years: \_\_\_\_\_ Months: \_\_\_\_\_

**V. Industrial Classification:** List primary 6 digit North American Industry Classification System (NAICS) Code of the company to benefit from the incentive program.

Primary NAICS: \_\_\_\_\_

Please list any other significant NAICS Code numbers:

**VI. Company and Affiliate Officers/Principals:** Please provide the name of all owners, principals and/or primary officers of the Company on the lines below.

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_

**VII. Business Organization:** Please indicate under which type of organization your Company presently operates or the Affiliate operates (check all that apply).

- |  |  |
|--|--|
| <input type="checkbox"/> Corporation         | <input type="checkbox"/> Franchise             |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Joint Venture         |
| <input type="checkbox"/> Partnership         | <input type="checkbox"/> Start-Up              |
| <input type="checkbox"/> LLC                 | <input type="checkbox"/> Other (specify) _____ |

**VIII. Business Classification:** Please describe the type of business in which the Applicant, or Affiliate to benefit from the incentive program, is involved (check all that apply).

- |  |   |
|--|---|
| <input type="checkbox"/> Corporate Headquarter | <input type="checkbox"/> Research & Development |
| <input type="checkbox"/> Medical               | <input type="checkbox"/> Retail                 |
| <input type="checkbox"/> Financial             | <input type="checkbox"/> Other (specify) _____  |

**IX. Current Employment:** For each of the categories listed below, please specify the number of employees currently employed by the Applicant, or Affiliate.

- |                           |  |
|---------------------------|--|
| Full-time permanent _____ | Part-time temporary _____                    |
| Part-time permanent _____ | Seasonal _____                               |
| Full-time temporary _____ | <input type="checkbox"/> None (New Business) |

**X. Total Ohio Employment:** Please indicate the total number of employees employed by the Applicant in the *State of Ohio*.

Total Employment in Ohio: \_\_\_\_\_

**XI. Current Jobs & Payroll:** Please provide the info below for the Beachwood location.

Number of Jobs \_\_\_\_\_ Total Annual Payroll \$ \_\_\_\_\_

**XII. Projected Jobs & Payroll:** Provide the projections below for the Beachwood location.

	Year 1	Year 2	Year 3
a. Projected Number of Jobs	_____	_____	_____
b. Projected Annual Payroll	\$ _____	\$ _____	\$ _____

**XIII. Uses of Funds:** For each of the categories listed below, please estimate the amount to be invested by the Applicant or Affiliate to establish, expand, renovate or occupy the proposed Project Site.

a. Acquisition of Buildings	\$ _____
b. Additions/New Construction	\$ _____
c. Improvements to Existing Buildings	\$ _____
d. Machinery & Equipment	\$ _____
e. Furniture & Fixtures	\$ _____
f. Inventory	\$ _____
<b>g. Total New Project Investment</b>	<b>\$ _____</b>

**XIV. Relocation:** Will the project involve the relocation of employment positions or assets from one Ohio location to another?  Yes  No

**XV. Consolidation:** Will the project involve the consolidation of business operations or assets from another Ohio location?  Yes  No

If yes, please itemize the location, assets, and employment positions to be transferred:

**XVI. Delinquencies:**

a. Does the Applicant, or Affiliate to benefit from the incentive program, owe any delinquent taxes to the Federal Government, State of Ohio or a political subdivision?  
 Yes  No

b. Does the Applicant, or Affiliate to benefit from the incentive program, owe any moneys to the Federal Government, State or a state agency for the administration or enforcement of any environmental laws?  
 Yes  No

c. Does the Applicant, or Affiliate to benefit from the incentive program, owe any other moneys to the Federal Government, the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not?  
 Yes  No

d. If yes to any of the above, please provide details of each instance including, but not limited to, the location, amounts and/or case identification numbers.

**XIX. Legal Proceedings:** Are there any current or pending law suits involving either the principals of or the Applicant or any Affiliate?

Yes             No

If yes, provide details below, and attach any supporting documentation related to the law suits.

**XX. Project Description:** Please provide the details below.

a. In the space provided below, please describe the project. Please provide any details you can share publicly related to how this project can help the company grow and expand. Any savings, efficiencies and improvements in technology expected as a result. Any new products which will result from the project. Any potential for spin-off opportunities if this project is funded. Any intended accomplishments with the overall project.

b. What other sources of funding are supporting this project?

c. Why is this loan necessary to permit the completion or successful operation of the activity to be financed?

d. What is the community impact that will be created through this project and how may this help be a catalyst for other investments in the area?

e. How will this loan support growth in the City's industry clusters including any investments in commercialization, innovation, technology, research, and development?

**XXI. Total Loan Request:** This loan program may provide forgiveness for up to 75% of the municipal income tax for a period of up to 3 years with a maximum loan forgiveness of \$20,000.

a. Total Anticipated Increased Payroll \$ \_\_\_\_\_ x .02%

= Total Municipal Payroll \$ \_\_\_\_\_

b. Anticipated Date of Hire: \_\_\_\_\_

c. Total Amount of Loan Request: \$ \_\_\_\_\_

*Up to 75% of the municipal income tax for a period of up to 3 years with a maximum loan forgiveness of \$20,000*

*It is the policy of the City of Beachwood to comply with the Ohio Public Records Act and therefore, all documents provided to the City of Beachwood are public record.*

## REQUIREMENTS AND CERTIFICATIONS

The undersigned, duly authorized Officers of the Applicant, hereby certify that the statements made in the foregoing application and in all attachments submitted in connection with this application are true and correct to the best information and belief of the undersigned and are submitted as a basis for determining approval of the Revolving Loan Fund request.

**I/we certify that the requirements listed below will be met:**

a. Submission of this application expressly authorizes the City of Beachwood to contact the applicant or their participating bank to confirm statements contained within this application, and to review applicable confidential records, and to enter into any necessary agreements between both the City and the borrower. As part of this application, the applicant may also be required to provide specific details to the City of Beachwood for consideration of this loan request.

b. The Applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1).

(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

c. The Applicant agrees to supply additional information upon request.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name & Title of Property Owner:  
(Typed or Printed)

\_\_\_\_\_

**Submit completed application  
& \$350 application fee to:**

City of Beachwood Economic Development Department  
Attention: Catherine Bieterman  
Economic Development Director

City of Beachwood  
25325 Fairmount Boulevard  
Beachwood, Ohio 44122  
Phone: 216.292.1915  
catherine.bieterman@beachwoodohio.com

*Checks payable to the City of Beachwood*