



GCF SSBCI Application

The Georgia Cities Foundation (GCF) welcomes State Small Business Credit Initiative (SSBCI) applications from owner-occupied small businesses located in downtown areas within cities in Georgia. The mission of the Foundation is to assist cities in their efforts to revitalize and enhance downtown areas by serving as a partner and facilitator in funding capital projects. The goal of GCF is to promote economically sustainable projects and build partnerships in order to help ensure the long-term health and economic vitality of the community.

We welcome and encourage DDAs to pursue potential SSBCI eligible projects.

Loan Amount and Terms

The application will determine which cities are eligible for funding to the extent funds are available. Loan amounts will not exceed **\$1,250,000** per project. At its discretion, the Foundation may decide to loan an amount less or more than the amount requested in an application.

Interest Rate: Currently 3.5% fixed

Repayment Period: Normally 10-year term / 15-year amortization.

Security: Project collateral or unrelated collateral

Recommended Financing Structure: 50-40-10 (50% Bank/Senior Lender, 40% GCF SSBCI, 10% Owner Equity)

SSBCI Eligibility Considerations

To the extent possible successful applications should exhibit the following:

- Broad public and private support for downtown revitalization projects in the City.
- A realistic project with a reasonable budget and timeframe for completion.
- A Satisfactory and Complete Application.

Eligible Applicant & Uses

The eligible mechanisms for making funds available from the Foundation are:

- Project must be a primarily owner-occupied, commercial property.
- Applicant may be a commercial tenant using funding for leasehold improvements.
- Application must be approved for SSBCI funding PRIOR to beginning construction and/or purchasing building/property.
- Additional US Department of Treasury requirements to be discussed during application phase.
- Once approved, funds may be used for activities such as: real estate acquisition, building rehabilitation, new construction (infill), and other soft and hard costs directly tied to the project.

Ineligible Uses

- Funds may not be used for projects that have begun construction.
- Funds may not be used for residential.
- Funds may not be used for passive real estate investment unless the majority of the project is owner-occupied.

Review of the Loan Application

All applications will be reviewed to determine the merit of the application and of the proposed uses of funds. In determining whether an applicant shall receive a loan, the following criteria will be considered:

- (1) Each application will be reviewed based upon an analysis of the proposed project's potential enhancement of downtown development opportunities, creditworthiness, overall project feasibility, project impact, and soundness of the proposed strategy. The analysis will include but is not limited to such factors as: impact on the community's tax base; degree of local commitment; consistency with local development plans, goals and objectives; project readiness; project feasibility; reasonableness of cost estimates; elimination of blighting influences; total private capital investment; number of jobs created and/or retained; historic preservation impact and potential state and regional impact.
- (2) In its review of applications, the Foundation may, at its discretion, consult with other individuals or agencies as appropriate for the purpose of receiving information and/or advice. All relevant supporting documentation available (plans, studies, engineering reports, appraisals, etc.) should also be attached. See the attached Supporting Documentation List of the application for further information.
- (3) The criteria listed in this application is designed to assist the Foundation in making its decision and provide prospective applicants with guidance as to the factors that their application needs to address in order to be competitive. The decisions made by the Foundation shall be final and conclusive.
- (4) All SSBCI applications are subject to review, and approval, from the Georgia Department of Community Affairs (DCA).

Statement of Conditions

In addition to the specific certifications made by the applicant in accepting the commitment letter and in executing the loan agreement, the recipient further certifies or acknowledges that:

1. No applicable state laws, rules, regulations, or applicable local ordinances shall be violated in carrying out the project and expending the loan proceeds.
2. No real or apparent conflict of interest shall be engaged in by any official, employees or agent of the recipient and sub-recipient (s) and any member of their immediate family, their partners and any organization which employs, or is about to employ any of the above. This prohibition prohibits both the solicitation and acceptance of gratuities, favors or anything of monetary value from contractors, potential contractors, or parties or sub-agreements. It is the responsibility of the recipient to disclose to the Foundation any relationship that might create a real or apparent conflict of interest as soon as the recipient becomes aware of it.
3. The recipient's accounting records of the loan funds shall be maintained in a manner consistent with generally accepted government accounting standards.
4. It is the recipient's responsibility to determine the laws applicable to the specific project and to meet ALL of its requirements (i.e. Georgia's Environmental Policy Act).
5. Loan funds shall be disbursed by the Foundation in accordance with the provisions of the loan agreement. Those provisions may vary depending on each project's particular circumstances. The Foundation will seek to match disbursements with actual need for funds in order to minimize the existence of idle loan funds at the local level.
6. The Foundation may make reviews and audits of the project including on-site reviews as may be necessary or appropriate to implement the program and insure the requirements contained in the loan agreement are met. In the case of noncompliance, the Foundation at its sole discretion shall take such actions, as it deems appropriate to prevent continuance of the deficiency, mitigate any adverse effects or consequences and prevent a recurrence.
7. The recipient may be required to submit quarterly or other progress reports to the Foundation in a format prescribed by the Foundation. Failure to submit timely and acceptable reports may result in a request for immediate repayment of all SSBCI funds from the recipient by the Foundation.

8. Loan payments shall be due to the Foundation or its agent in accordance with the terms and provisions of the loan agreement. All payments shall be made to the Georgia Cities Foundation or its specified agent at Post Office Box 105377, Atlanta, Georgia 30348 or at such other place as specified by the Foundation.
9. The Foundation reserves the right to establish other guidelines or requirements in order to further the purposes of the GCF program.
10. The Foundation reserves the right to request additional information as needed.

Application and Origination Fee Structure

	GCF - SSBCI
Application Fees	\$250
Origination Fees	1.00%
Origination Fee Cap	\$10,000

How to Apply

Completed applications should be submitted to:

Chris Higdon
chigdon@gacities.com

Electronic submission of the GCF application via email is strongly encouraged.

If you have any questions, Chris Higdon at 404-293-6359.

This application may not be reformatted on your computer. It must stay in its original format and not be altered in any manner. All questions must be answered in the order they appear. Additional sheets may be attached if necessary. Please contact the Foundation if you would like the application via e-mail as a Microsoft Word attachment.

3. **Project Activity Schedule.** (Provide a realistic timetable for completion of project and specify the time, if known, or appropriate stage at which Georgia Cities Foundation funds will be needed.)

SECTION C- SOURCE AND USE OF FUNDS

1. **Project Budget.** (List the source and use of funds for the project.)

Item	Project Cost	Sources of Funds (Bank, GCF, Borrower)
Acquisition		
Project Hard Costs		
Project Soft Costs		
Total Project Cost:		

2. **Total Project Funding:** \$ _____ **Total SSBCI Funds Requested:** \$ _____

3. Explain how funds will be repaid to the Foundation (project cashflow, rents, etc.)

SECTION D – Borrower Information

1. Corporate Information – If application includes more than one corporate entity, please list legal names of those entities below. If building/property will be owned by one corporate entity (Eligible Passive Corporation) and operated by another corporate entity (Operating Company), list owners of each entity, with percentage ownership, below. Please include EIN #s for all related corporate entities. *Add additional page(s) if needed*

2. Principal Information – Please provide the following for any principal owner (20% or greater ownership) in corporate entities listed in Section D, #1: Full legal legal name, percentage ownership, and primary residential address *Add additional page(s) if needed*

Section E – Signature & Acknowledgements

- I acknowledge that the GCF SSBCI underwriting and approval process typically takes a minimum of 6-8 weeks. Delays in receiving information, underwriting concerns, and other factors can lead to delays.

- I acknowledge any costs related to this application, including but not limited to building/land acquisition, construction/renovation, equipment purchase, etc., cannot begin prior to receiving GCF SSBCI approval.

- I acknowledge that project financing cannot combine an SBA program in conjunction with SSBCI financing.

- I acknowledge the underwriting process will include a search for outstanding liens and/or judgements against related corporate entities, and their principals. Additionally, any outstanding liens and/or judgements must be satisfied before applicant may be approved for SSBCI lending.

- I acknowledge that this SSBCI application meet the following requirements:
 - Project must be over 51% owner-occupied commercial if using an existing building.
 - Project must be over 60% owner-occupied commercial if new construction.
 - Project cannot include residential housing.
 - If project structure includes an Eligible Passive Company leasing from an Operating Company, both entities must share majority interest. Please provide an executed lease.

- I acknowledge that any commitment from GCF using SSBCI funding is contingent on project satisfying all SSBCI requirements.

I certify that the information contained in this application is true and correct to the best of my knowledge. I further understand that the Georgia Cities Foundation has the right to request additional information as needed.

Signature of Applicant

Date

Name

Title

Telephone

For GCF Use Only: Date Received _____	Initials _____
---------------------------------------	----------------

Credit Authorization
Georgia Cities Foundation SSBCI Program

In connection with _____'s application to the Georgia Cities Foundation
(borrower)
(GCF) for financial assistance, I authorize GCF or its agent, the Georgia Department of Community Affairs (DCA), to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I further authorize GCF or DCA to receive information, documents, credit reports, summaries, etc. received by other lenders in connection with any additional financial assistance I am pursuing as part of a complete financing package for the applicant business.

Authorized Signature

By: _____

Name: _____
(print or type)

Title: _____

Company: _____

Date: _____

Georgia Law requires that "all state, county and municipal records, except those which by order of a court of this state or by law are prohibited from being open to inspection by the general public, shall be open for a personal inspection of any citizen of this state at a reasonable time and place, and those in charge of such records shall not refuse this privilege to any citizen" (O.C.G.A. 50-18-70). This means that past and current records on the use of the Department of Community Affairs (DCA) funds are required to be opened for public inspection. **However, certain proprietary information which is required by DCA to be included in an application and must be supplied by a business in order to compete and which constitutes a "trade secret" (O.C.G.A. 10-17-140 et seq.; 16-8-13(a) (4)) is exempt from disclosure under O.C.G.A. 50-18-70. IF YOU CONSIDER FINANCIAL OR CREDIT INFORMATION SUBMITTED AS PART OF A DOWNTOWN DEVELOPMENT REVOLVING LOAN FUND APPLICATION THAT MAY BE REVIEWED BY DCA A "TRADE SECRET", PLEASE INDICATE BY SIGNING BELOW.**

Authorized Signature

By: _____

Name: _____
(print or type)

Title: _____

Company: _____

Date: _____

Credit Authorization
Georgia Cities Foundation SSBCI Program

In connection with _____'s application to the Georgia Cities Foundation
(borrower)
(GCF) for financial assistance, I authorize GCF or its agent, the Georgia Department of Community Affairs (DCA), to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I further authorize GCF or DCA to receive information, documents, credit reports, summaries, etc. received by other lenders in connection with any additional financial assistance I am pursuing as part of a complete financing package for the applicant business.

Authorized Signature

By: _____

Name: _____
(print or type)

Title: _____

Company: _____

Date: _____

Georgia Law requires that "all state, county and municipal records, except those which by order of a court of this state or by law are prohibited from being open to inspection by the general public, shall be open for a personal inspection of any citizen of this state at a reasonable time and place, and those in charge of such records shall not refuse this privilege to any citizen" (O.C.G.A. 50-18-70). This means that past and current records on the use of the Department of Community Affairs (DCA) funds are required to be opened for public inspection. **However, certain proprietary information which is required by DCA to be included in an application and must be supplied by a business in order to compete and which constitutes a "trade secret" (O.C.G.A. 10-17-140 et seq.; 16-8-13(a) (4)) is exempt from disclosure under O.C.G.A. 50-18-70. IF YOU CONSIDER FINANCIAL OR CREDIT INFORMATION SUBMITTED AS PART OF A DOWNTOWN DEVELOPMENT REVOLVING LOAN FUND APPLICATION THAT MAY BE REVIEWED BY DCA A "TRADE SECRET", PLEASE INDICATE BY SIGNING BELOW.**

Authorized Signature

By: _____

Name: _____
(print or type)

Title: _____

Company: _____

Date: _____