

CITY OF KALISPELL

ECONOMIC DEVELOPMENT (GAP) FINANCING SUMMARY

The City of Kalispell's Economic Development Gap Financing is designed to stimulate economic development activity by assisting the private sector to create jobs, retain jobs, or expand opportunities for the businesses and citizens of Kalispell. When possible, these funds are intended to compliment conventional business financing techniques by leveraging funding from other Federal and State financing programs and private lending institutions. When appropriate the funds may be used on a standalone basis without the support of other public or private lending.

The Revolving Loan Fund program is designed to assist businesses by making appropriate long-term, fixed rate financing available at reasonable interest rates by providing improvements in support of economic development.

Some of the details of the program are as follows:

- Loans applied for can be gap financing.
- Loan assistance will be made to existing businesses for job retention and/or expansion.
- All loan recipients must be located in the City of Kalispell or within an impact service area (generally considered to be 5 miles) to the City of Kalispell, and must agree to remain so during the life of the loan.
- The loan is due and payable, in full, if the loan recipient's project is to relocate outside the impact service area that benefits the City of Kalispell, or ceases to operate.
- The loan interest rate will be determined by the Revolving Loan Fund Committee.
- There is an application fee of \$200.00 plus any other costs associated with the transaction as defined in the Revolving Loan Fund Policy.
- All loans must be adequately collateralized.
- Davis Bacon rates may apply for construction.

Application requirements:

- Completed loan application and \$200 application fee.
- Current personal financial statements for each party having over 20% ownership of the business.
- Personal tax returns for the last three years for each party having over 20% ownership of the business.
- Resume of each party having over 20% ownership of the business.
- Information release form for each party having over 20% ownership of the business.
- Current year to date financial report for existing businesses.
- Financial reports for the last three years of operation for existing businesses.
- Tax returns for the last three years of operation for existing businesses.
- Completed business plan with forecast for the next three years. (Please ensure all forecast assumptions are adequately disclosed.)