

GLENS FALLS LOCAL DEVELOPMENT CORPORATION (“GFLDC”)

IN COOPERATION WITH

US DEPARTMENT OF HOUSING URBAN DEVELOPMENT

CITY OF GLENS FALLS

SMALL BUSINESS RECOVERY FUND (“SBRF”)

SBRF GUIDELINES

“GLENS FALLS MOVING FORWARD”

June 2020

Glens Falls Local Development Small Business Recovery Fund (SBRF)

Forgivable Loans to Support Small Businesses within the City of Glens Falls Impacted by COVID-19

The Glens Falls Local Development Corporation COVID-19 Small Business Recovery Fund ("SBRF") will provide forgivable loans in the amount of up to \$7,500 for working capital to small businesses experiencing hardship related to the COVID-19 pandemic. Loans will carry a zero-interest rate, a 12-month term and be forgiven for businesses that remain open and in operation through July 1, 2021 that have complied with the program rules.

The goal of the fund is to provide emergency relief to help business owners retain their businesses and their employees as a bridge of support before additional state and federal resources become available and mandated pause is relaxed.

This Program is a result of a collaboration of the US Department Housing Urban Development (HUD), City of Glens Falls, and Glens Falls Local Development Corporation who created the fund and appropriated funds to capitalize this specific fund.

Glens Falls Local Development Corporation will manage the intake and application process and disburse approved loans within 10 days of execution of agreements. A loan review committee comprised of local economic development professionals will review applications for eligibility and select applications that best meet program criteria and priorities.

Loan Funds

Loans for small City Businesses will be funded as follows:

small businesses (less than 20 employees) or microenterprises owned by low- and moderate-income person located within the City of Glens Falls

Uses of Loan Funds

Funds may be used for the following operating expenses of the business:

- Wages and salaries of employees prospectively
- Health insurance premiums and costs related to continuation of health care benefits during periods of paid sick, medical, or family leave
- Fixed debts, including mortgage (excluding any prepayment)
- Rent (cannot exceed 50% of the loan proceeds)
- Utilities
- Marketing, promotion utilization of social media platforms including website development, updates
- Business debt obligations that were incurred before April 1, 2020
- Accounts payable
- Inventory
- Supplies
- Other necessary and reasonable expenses as specifically approved by the lender.

Loan Terms/Forgiveness

- Interest Rate: 4%
- Term: 12 months
- Repayment: Commences upon failure to comply with program regulations or failure to remain in regular substantial operations through July 1, 2020 with a rate of 4% per cent per annum for one year. Recipient has option to undertake pre-payment of this loans with no penalty
- Forgiveness: The portion of loan proceeds (up to 100%) used for documented eligible working capital uses as outlined within the guidelines is 100 % forgiven if the business is in operation with a tangible physical business presence on July 1, 2020.

Collateral/Security

- Personal financial guarantee(s) of the owner(s) is required for all loans
- Credit report shall be authorized by Borrower(s)
- Additional collateral may be required

Loan Disbursement

Up to \$7,500 will be disbursed within five days of loan closing for reimbursement of eligible business working capital expenses incurred since March 7, 2020. Alternatively, up to a \$2,500 advance will be disbursed within five days of loan closing to pay working capital expenses. Future disbursements will be made upon documentation that the initial advance was used for working capital expenses of the business.

Timeline/Selection Process

Completed applications with submittals will be reviewed on a rolling basis until funds are exhausted:

- Applications process under way
- Initial loan approvals: by June 2020
- Initial Application Open Period through September 30, 2020

Eligibility Requirements

- Principal place of business must be located within City of Glens Falls
- Business must have been in operation on or prior to November 1, 2019
- Business must have 20 or fewer full-time employees. A sole proprietor counts as one employee.
- Business must have \$2.5 million or less in annual gross revenues
- Business must meet *one of the following*:
 - Business is public-facing (e.g. retail, coffee shop, food service, personal service barbershop, hair saloon, bakery, ice cream) and is directly impacted by the COVID-19 pandemic.
 - Business has experienced 10% or more decline in revenues since March 1, 2020 due to the COVID-19 pandemic.

replace

Ineligible businesses

- **Have not received a loan from either SBA Paycheck Protection Program (PPP) or SBA Economic Injury Disaster Loan (EIDL) for COVID-19 in 2020 or other COVID 19 funding**
- Non-profit organizations, unless 51% or more of gross revenues are from earned income
- Gambling concerns
- Lending or investment concerns
- Multi-level sales distribution (pyramid) concerns
- Loan packagers
- Pawn shops
- Real estate developers and brokers
- Landlords (See NY Forward Loan Program)
- Insurance concerns agencies
- Concerns deriving 70% or more of gross receipts from sale of alcoholic beverage unless such business also produces alcoholic beverage for on-site consumption
- Concerns that derive 70% or more of gross receipts from sale of nicotine products and accessories
- Concerns engaged in illegal activities
- Concerns engaged in the sale of products and/or services of a prurient nature
- Professional services, such as legal, architecture, engineering services, medical, counseling,
- Concerns that are delinquent on City property taxes or fees (unless loan proceeds will be used to remedy the delinquency) or state sales taxes
- Concerns considered as hobbies where the business generates 30% or less of the owner's income

Loan Priorities

- Ground floor storefront businesses open to the general public
- Businesses located in "downtown business district", or in established retail/commercial districts or within mixed neighborhood area
- Businesses for which their landlord or lender provides matching support (such as deferred rent or loan payments), thereby leveraging the impact of the program
- Businesses owned by NYS Certified MBE, WBE or NYS certified Service Disabled Veteran Owned Business (SDVOB)
- Daycare/ childcare
- Businesses for whom resources will help them stay in business
- For Businesses with five or fewer employees, business provides owner with their primary source of income
- Businesses who pay employees and/or healthcare insurance during the COVID-19 pandemic

Information required

For a complete application, submit the following information:

- Complete loan application
- 2019 financial statements (profit/loss statement and balance sheet)
- 2020 financial statements YTD
- 2019 tax returns(federal/state)
- If business is a corporation or partnership, provide a copy of organizational documents
 - If a partnership: partnership papers
 - If a corporation: certificate of incorporation and shareholder agreement
 - If an LLC: articles of organization and operating agreement
- A Personal Financial Statement from each principal of the business (SBA form 413 or similar)
- Owner's affidavit declaring (1) intention for business to remain operating or re-open following the announcement that the Capital Region is eligible to re-open under the protocol of Governor Cuomo and (2) that loan funds will be used exclusively for eligible working capital expenses of the business as outlined in their application

How to Apply

This "SBRF" e fund is open to businesses within the City of Glens Falls. Interested businesses can visit [and download application at glensfallsldc.com and guidelines.](#)

For general inquiries, contact Ed Bartholomew 518 761 6007 or edbartholomew@edcwc.org

GLENS FALLS LOCAL DEVELOPMENT CORPORATION (“GFLDC”)

IN COOPERATION WITH

US DEPARTMENT OF HOUSING URBAN DEVELOPMENT

CITY OF GLENS FALLS

SMALL BUSINESS RECOVERY FUND (“SBRF”)

SBRF APPLICATION

“GLENS FALLS MOVING FORWARD”

June 2020

www.glensfallsldc.com

Glens Falls Local Development Corporation

Small Business Recovery Fund (SBRF) Forgiveness Loan for Small Businesses impacted by COVID-19

A. General and Background Information

Name of Applicant: _____

Business Address: _____

If leased space; provide name of landlord and address, copy of lease _____

Applicant's Home Address: _____

Phone Number (Business): _____ / (Cell): _____

List Business Website, Facebook, and other social medial platforms

Business Email Address:

Nature of Business: _____

Number of Employees (List number of Full and Part time employees): _____

Length of time in the Business: (minimum period of ownership/operational is November 2019):
_____; length of time in business within the City of Glens Falls _____

Type of Ownership of Your Business (Sole Proprietorship, Corporation, LLC, and DBA):

B. Explain how your business has been impacted/affected by COVID 19; if you require additional Space please attach additional sheet of paper:

Loan Forgiven Amount Requested:

(Maximum request is \$7,500)

C. Specify use of the funds and the cost breakdown _____

D. Name & address of your current bank and or credit union that you use for your business: and contact person:

E. Provide the following as part of this application (application is incomplete and will not be considered without a completed application):

- (A) Personal Financial Statement (attached)
- (B) business bank statements since Jan 2020)
- (C) internal financial statements through May 2020
- (D) Business and Personal Tax returns (NYS and Federal) 2019 (if filed)
- (E) Listing any IRS, NYS liens (income tax, sales tax,) and or any agreed upon deferred or scheduled payment plan with NYS or US government)
- (F) List any judgments, tax liens (Federal, State Local)
- (G) 2019 NYS DOL Form 45(4th quarter) & 2020 NYS DOL Form 45 1st Quarter)
- (H) Credit Report Authorization

NOTE LDC will require a Credit Report which is authorized through signing the attached forms to be returned with this application

F. Acknowledgment of Receipt of Agreement & Guidelines

THE UNDERSIGNED HEREBY CERTIFIES, under penalties of perjury, that the answers and information provided above and, in any schedule, exhibit or statement attached hereto are true, accurate and complete, to the best of the knowledge of the undersigned

I, _____ (Applicant), have read and understand the Glens Falls Local Development Corporation guidelines and agree to abide by the conditions and requirements as set forth under this Loan Program.

By his or her signature below, the Applicant acknowledges his/her understanding that all local and State building codes and laws will apply.

Signature of Applicant(s): _____ Date: _____

Print name _____

Signature of Applicant(s) _____ Date _____

Print Name _____

If Corporation, LLC or DBA please provide name of entity, corporate offices and addresses, or members of LLC and address

Sworn to before me this ____ day of _____, 20____

Notary Public

Final Step:

To expedite please email/ scan below or fax/mail application to:

Ed Bartholomew

EDC Warren County

President 333 Glen Street

Travelers Building, Suite 102

Glens Falls NY 12801

Email edbartholomew@edcwc.org

Phone 518 761 6007 Fax 518 761 9053

Checklist for Submittal of SBRF Application along with the following materials outlined herein:

- a personal financial statement (attached to be completed and returned with application.
- b business bank statements since Jan 2020).
- c internal financial statements through May 2020 reflecting expenses and revenues.
- d Business and Personal Tax returns (NYS and Federal) 2019.
- e listing any IRS, NYS liens (income tax, sales tax,) and or any agreed upon deferred or scheduled payment plan with NYS or US government).
- f lists any judgments, tax liens (Federal, State Local).
- g 2019 NYS DOL Form 45(4th quarter) & 2020 NYS DOL Form 45 1st Quarter;)
- h Consent and credit report Authorization to be signed and returned

NOTE GGFLDC will require a Credit Report which is authorized through you signing the attached form and returning with this application

REVIEW OF YOUR SBRF APPLICATION CANNOT COMMENCE UNTIL YOU HAVDS SUBMITTED A COMPLETED APPLCAITION ALONG WIITH THE REQUIERD SUBMITTTAL

PLEASE ATTACH SEPARATE PAPER FOR ANY OF THE ABOVE MATERIAL THAT REQUIRE FURTHER EXPLANATION OR DETAILS

THNAK YOU

Personal Financial Statement

IMPORTANT: Read these directions before completing this Statement

- ☐ If you are applying for individual credit in your own name and are relying on your own income, or assets and not the income or assets of another person as the basis for repayment of the credit requested, complete only sections 1, 3 and 4.
- ☐ If you are applying for joint credit with another person, complete all Sections and provide information in Section 2 about the joint applicant. If appropriate the joint applicant may complete a separate personal financial statement (C-100), and the applications may be submitted together.
- ☐ If you are applying for individual credit but are relying on income from alimony, child support, or separate maintenance or on the income of assets of another person as a basis for repayment of the credit requested, complete all sections. Provide information in Section 2 about the person whose alimony support or maintenance payments or income or assets you are relying on. Alimony, child support, or separate maintenance income, need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.
- ☐ If this statement relates to your guaranty of the indebtedness of other person(s), firm(s), or corporation(s), complete sections 1, 3 and 4.

Section 1 – Individual Information (type or print)		Section 2 – other Party Information (type or print)	
Name:		Name:	
Address:		Address:	
City, State & Zip:		City, State & Zip:	
Position or occupation:		Position or occupation:	
Business name:		Business name:	
Business address:		Business address:	
City, State & Zip:		City, State & Zip:	
Length of employment:		Length of employment:	
Res. phone:	Bus. Phone:	Res. phone:	Bus. Phone:
Email address:		Email address:	

Section 3 – Statement of Financial Condition as of _____			
Assets (do not include assets of doubtful value)	In dollars (omit cents)	Liabilities	In dollars (omit cents)
Cash on hand/In the bank		Notes payable to banks – see Schedule E	
		Notes payable to other institutions – see Schedule E	
U.S. Gov't & marketable securities – see Schedule A		Due to brokers	
Non-marketable securities – see Schedule B		Amounts payable to others – secured	
Securities held be broker in margin accounts		Amounts payable to others – unsecured	
Restricted, control, or margin account stocks		Accounts and bills due	
Real-estate owned – see Schedule C		Unpaid income tax	
Accounts, loans, and notes receivable		Other unpaid taxes and interest	
Automobiles		Real estate mortgages payable – see Schedules C & E	
Other personal property		Other debts (car payments, credit cards, etc) - itemize	
Cash surrender value – life insurance – see Schedule D			
Other assets – itemize – see Schedule F (if applicable)			
		Total Liabilities:	
Total Assets:		Net Worth (total assets minus total liabilities):	

Section 4 – Annual Income		Annual Expenditures		Contingent Liabilities		Estimated Amounts	
Salary, bonuses & commissions \$ _____		Mortgage/Rental payments \$ _____		Do you any of the following:			\$ _____
Dividends & interest \$ _____		Real estate taxes & assessments \$ _____		Contingent liabilities (as endorser, Co-maker or guarantor? On leases? On contracts?)	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Real estate income \$ _____		Taxes – federal, state & local \$ _____		Involvement in pending legal actions?	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
Other income \$ _____ (alimony, child support or separate Maintenance income need not be revealed if you do not wish to have it considered as A basis for repaying this obligation)		Insurance payments \$ _____		Other special debt or circumstances?	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
		Other contract payments (car payments, charge cards, etc.) \$ _____		Contested income tax liens?	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
		Alimony, child support, Maintenance \$ _____		If "yes" to any question(s) describe below:			\$ _____
		Other expenses \$ _____		_____			\$ _____

Total	\$ _____	Total	\$ _____				Total \$ _____

SCHEDULE A – U.S. GOVERNMENT & MARKETABLE SECURITIES

Number of Shares or Face Value of Bonds	Description	In Name of	Are These Registered Pledged or Held by others?	Market Value

SCHEDULE B – NON-MARKETABLE SECURITIES

Number of Shares	Description	In Name of	Are These Registered, Pledged or held by	Value	Source of Value

SCHEDULE C – RESIDENCES AND OTHER REAL ESTATE (PARTIALLY OR WHOLLY OWNED)

Address and Type of Property	Title in Name of	% of Ownership	Date Acquired	Cost	Market Value	Monthly Payment	Mortgage Amount	Mortgage Maturity
Residence(s):								
Residence(s):								
Other:								
Other:								

SCHEDULE D – LIFE INSURANCE CARRIED, INCLUDING GROUP INSURANCE

Name of Insurance Company	Owner of Policy	Beneficiary and Relationship	Face Amount	Policy Loans	Cash Surrender Value

SCHEDULE E – BANK AND OTHER INSTITUTIONAL

Name and Address of Creditor	Original Loan/Line Amount	Date of Loan	Maturity Date	Unsecured or Secured (List Collateral)	Amount Owed

SCHEDULE F – BUSINESS VENTURES

List Name and Address of Any Business Venture in Which You Are a Principal or Partner	Total Assets Listed in Section 3	Your % of Ownership	Your Position/Title in the Business	Total Assets Of Business	Line of Business	Years in Business

The information contained in this statement is provided to induce you to extend or continue the extension of credit to the undersigned or to others upon the guaranty of the undersigned. The undersigned acknowledge and understand that you are relying on the information provided herein in deciding to grant or continue credit or to accept a guarantee thereof. Each of the undersigned represents warrants and certifies that the information provided herein is true, correct and complete. Each of the undersigned agrees to notify you immediately and in writing of any change in name, address, or employment and of any material adverse change (1) in any of the information contained in this statement or (2) in the financial condition of any of the undersigned or (3) in the ability of any of the undersigned to perform its (or their) obligations to you. In the absence of such notice or a new and full written statement, this should be considered as a continuing statement and substantially correct. You are authorized to make all inquiries you deem necessary to verify the accuracy of the information contained herein, and to determine the credit-worthiness of the undersigned. Each of the undersigned authorizes you to answer questions about your credit experience with the undersigned.

Signature (Individual) _____

Social Security Number _____

Date Signed _____

Date of Birth _____

Signature (Individual) _____

Social Security Number _____

Date Signed _____

Date of Birth _____

Greater Glens Falls Local Development Corporation

Credit Authorization

Date: _____

In connection with my application for a loan through the Greater Glens Falls Development Corporation .
I hereby authorize you to investigate my credit worthiness as part of the loan review process.

Name: _____

Social Security Number: _____

Date of Birth: _____

Current Address: _____

Signed: _____

Name: _____

Consent

I (we) authorize the Greater Glens Falls Local Development Corporation to order credit reports and/or other financial background information on my (our) personal and business financial background. I (we) authorize disclosure of all information submitted in connection with this application to any financial institution in consideration of any assistance that may be provided. I (we) waive all claims against GGFLDC and its consultants.

I (we) attest that to the best of my (our) knowledge and belief, the information contained in the foregoing application and its attachments is correct and true. I (we) an (are) aware that the filing of a false instrument in connection with this application may constitute an attempt to defraud the GGFLDC and may be a felony under the laws of New York State and federal government.

Signature

Date

Print Name

Title

Signature

Date

Print Name

Title