

PROGRAM DESCRIPTION

The Village of Menomonee Falls Revolving Loan Fund (RLF) Program was established through repayments on Wisconsin Community Development Block Grant (CDBG) economic development loans. The goal of the Village of Menomonee Falls RLF Program is to create jobs, encourage private investment, and provide a financing alternative for small start-up or expanding businesses.

ELIGIBILITY REQUIREMENTS

Businesses must meet certain eligibility requirements in order to receive funding from the loan RLF program, including:

- ★ Business establishments must be located or willing to locate within the Village.
- ★ Businesses must be willing to create or retain at least one (1) full-time equivalent (FTE) job for each \$20,000 of RLF monies requested.
- ★ Businesses must make 51% of the jobs created or retained available to low and moderate income individuals.
- ★ Village approval for requested financing must be obtained prior to project initiation.

FINANCING GUIDELINES

Each loan application will be evaluated individually by the Village of Menomonee Falls Community Development Authority (CDA) and the Village Board of Trustees using the following guidelines:

LEVERAGE: At least 50 percent of the total project costs must be funded through private resources, such as loans from financial institutions and new equity injections.

LOAN AMOUNT: The minimum loan amount is \$5,000 and the maximum loan amount is \$100,000 for each individual borrower.

LOAN TERMS: Loan terms are one to seven years for working capital, two to ten years for machinery and equipment, and up to ten years for buildings and land. Longer amortization periods are available.

INTEREST RATE: The interest rate shall be determined on a case-by-case basis, and shall range from a minimum of 50% of the prime rate of interest to a maximum of the prime rate of interest plus 200 basis points. The interest rate is fixed for the loan term.

DEFERRALS: Principal deferrals are available for up to 12 months, if required to make the project feasible.

COLLATERAL: Collateral requirements are to be determined on an individual basis. The security interest may be subordinated to private sector lenders participating in the project. Personal guarantees are required.

USE OF LOAN FUNDS

Funds may be used to assist a business in:

- ★ Purchase, rehabilitation, renovation or construction of a building.
- ★ Site acquisition and preparation.
- ★ Purchase of furniture, fixtures, and equipment.
- ★ Tenant Improvements.
- ★ Financing of working capital.
- ★ Buyouts by purchase of assets or stock.

APPLICATION PROCEDURE

To obtain an RLF application contact:

Village of Menomonee Falls
Department of Community Development
W156N8480 Pilgrim Road
Menomonee Falls, Wisconsin 53051
Telephone: (262) 532-4270

Within 20 working days of application submittal, Village staff will inform the applicant of any deficiencies in the application. Completed applications will be forwarded to the CDA and Village Board for approval.

LOAN FEES

Loan fees include a loan application fee, a loan origination fee, and payment of legal and closing costs.

LOCAL CONTACTS

For additional information regarding the Village of Menomonee Falls Revolving Loan Fund Program you may contact:

Village of Menomonee Falls
Department of Community Development
W156N8480 Pilgrim Road
Menomonee Falls, WI 53051
Telephone: (262) 532-4270

Southeastern Wisconsin Regional
Planning Commission (SEWRPC)
Chief Economic Development Planner
P.O. Box 1607
Waukesha, WI 53187-1607
Telephone: (262) 547-6721

Menomonee Falls Chamber of
Commerce and Industry
N88W16621 Appleton Avenue
P.O. Box 73
Menomonee Falls, WI 53052
Telephone: (262) 251-2430

VILLAGE OF MENOMONEE FALLS
Department of Community Development
W156N8480 Pilgrim Road
Menomonee Falls, WI 53051

VILLAGE OF MENOMONEE FALLS WISCONSIN

REVOLVING LOAN FUND

for
Small Business Start-Ups
and
Business Expansions



W156N8480 PILGRIM ROAD
MENOMONEE FALLS, WI 53051