

The Application Process

Applying for a loan through the Delaware County Revolving Loan Fund is a relatively simple process. Depending on the loan amount and whether yours is a new venture or an established company, you will complete a simple application and submit it, along with your business plan and financial statements. Contact the Delaware County Economic Development Department at (740) 833-2100 for more information.



Delaware County Revolving Loan Fund

Delaware County Economic Development
101 North Sandusky Street
Delaware, Ohio 43015

Phone: 740-833-2100
Fax: 740-833-2099
Email: tboland@co.delaware.oh.us
Internet: www.delcoecon.org

Delaware County Revolving Loan Fund

***Low Interest Business
Development Loans:***

***Gap Financing for
Fixed-Asset Investment***



**Working together to grow
business in Delaware County**

**Manufacturing, Distribution, Retail,
Office and Commercial Uses.**

The Delaware County Revolving Loan Fund

The Revolving Loan Fund (RLF) provides direct, low-interest loans to eligible businesses. These eligible businesses include those for-profit entities engaged in manufacturing and distribution; retail; commercial; and service businesses (non-profit entities are eligible on a case-by-case basis). Loans are intended for fixed-asset investment; land acquisition, building construction, renovation and/or machinery and equipment. RLF participation is intended to fill capital financing gaps. Bank loan participation is required and must exceed the amount of RLF funds in a given project's structure. The maximum RLF loan amount is \$500,000 and may not exceed 50 percent of any single project financing structure. The loan term is up to 10 years for equipment, 15 years for real estate. Interest rates are fixed and tied to Treasury Securities of comparable terms, generally ranging from five to seven percent. A minimum of five percent equity is required, but typically represents 10 –15 percent of project cost. Loans carry a job creation or retention requirement. This requirement may be waived in designated downtown areas where loans are used to remedy building code violations. A one percent origination fee applies at closing.

RLF Low-Interest Development Loans:

Type of Loan: Direct loan to for-profit businesses (non-profits considered on a case-by-case basis).

Eligible Businesses: Retail, Commercial, service, manufacturing, distribution.

Use of Funds: Land, building construction, renovation, equipment purchases.

Maximum: Up to \$500,000, \$25,000 per job created, RLF cannot exceed Bank participation.

Term: Up to 10 years for equipment, up to 15 years for real estate— not to exceed life of asset.

Rates: Competitive & fixed—typically 5% - 7% (under 5% with State of Ohio approval).

Collateral: Subordinate lien on assets purchased plus personal guaranty.

Equity: Typically 10% - 15% of Project Cost.

Typical RLF Loan Scenario:

Total Project Cost—\$200,000

Bank Financing—\$100,000 (50%)
RLF Loan— \$ 70,000 (35%)
Cash Equity— \$ 30,000 (15%)

National Objective for Revolving Loan Fund Programs:

Low to Moderate Income Job Creation/Retention. With RLF financing, 51% of jobs created/retained must be available to LMI households (80 percent of median household income).

1:1 Leverage

Minimum Bank Loan Participation: 15% of total project cost—Bank Loan financing portion must exceed RLF portion.

Delaware County Revolving Loan Fund

Delaware County Economic Development
101 North Sandusky Street
Delaware, Ohio 43015

Phone: 740-833-2100
Fax: 740-833-2099
Email: tboland@co.delaware.oh.us
Internet: www.delcoecon.org