

**City of Reading Pennsylvania**

**CDBG Special Economic Development Job Creation Activity**

**Financial Assistance Application**

Assistance in completing this request is available by calling the C.D. Office at 610-655-6211 between the hours of 8:00 a.m. and 4:00 p.m. Please answer all questions applicable to your project as specifically as possible (print or type). The request form and supporting documentation must be received by **June 30, 2014** in the City Hall C.D. Office, 815 Washington St., Reading, PA 19601.

*All activities funded by CDBG must be consistent with the City & County Comprehensive and Joint Consolidated Plans. Requests for City funding must be in conformance with the City's Market Value Analysis (MVA) as well as other eligibility criteria. Please consider reviewing the City's MVA Map at <http://www.readingpa.gov/content/community-development-overview> before preparing your application.*

**Be Sure to:**

- Fill out the application completely. If any questions are left unanswered or required attachments are not submitted, an explanation for the omission must be included.
- Contact the City's Community Development Office at 610-655-6211 should you have any questions while completing the application
- Sign the application.
- Be aware that certain application materials may be subject to the Freedom of Information Act. Please review the FOIA to review what specific information is considered proprietary and what information is available to the public.
- Be aware that the funds available are federal funds; as such various federal requirements may apply. Each applicant is encouraged to speak with Community Development staff about the requirements that will apply to your specific business prior to submitting an application.

**Business Information**

Business Owner's Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

Name of Applicant Business: \_\_\_\_\_

Full Street Address of Business: \_\_\_\_\_

Phone Number & Email Address: \_\_\_\_\_

DUNS Number (If awarded funds, applicant must obtain a DUNS number): \_\_\_\_\_

Type of Business: \_\_\_\_\_

Date Business Established: \_\_\_\_\_

**Commercial Lender's Information**

Commercial Lender's Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person's Phone: \_\_\_\_\_

Contact's Email Address: \_\_\_\_\_

**NOTE:** *The City will not provide assistance in situations where it is determined that any representation, warranty or statement made in connection with this application is incorrect, false, misleading or erroneous in any material respect. If assistance has already been provided by the City prior to discovery of the incorrect, false or misleading representation, the City may initiate legal action to recover City funds.*

**Section 1: Description of Business and Proposed Project**

1.1. Describe the proposed "project" (for example, company relocation, building expansion, remodeling, new product line, number of new jobs, amount of investment in machinery and equipment) and the expected benefits it will receive from the financial assistance requested:

1.2. Provide a brief history of your company:

1.3. Describe the organizational structure of the business:

1.4. Management  
(Proprietor, partners, officers, directors, all holders of outstanding stock, 100% of ownership must be shown)

Name & Position/Title	Complete Address	% Owned

Attach a brief description similar to a resume of the education, technical and business background for all the people listed under Management.

1.5. Will the project involve a transfer of operations or jobs from any other City facility or replace operations or jobs currently being provided by another City company? If yes, please indicate the facility(s) and/or company(s) affected.

**Section 2: Financial Contributions to the Proposed Project**

2.1. Use of Proceeds

Use of Proceeds	
Activity	Loan Requested (Enter gross dollar amount rounded to the nearest hundreds)
Land acquisition	\$
New Construction/Expansion Repair	\$
Acquisition and/or Repair of Machinery and Equipment	\$
Inventory Purchase	\$
Working Capital (including accounts payable)	\$
Acquisition of Existing Business	\$
All Other (provide description)	\$
<b>Total Loan Requested (All Uses):</b>	<b>\$</b>

2.2. Terms of Proposed Financing (Sources)

Proposed Financing	Amount	Monthly Payment	Type <sup>(1)</sup>	Rate	Term
Financial	\$	\$			
Financial Institution :	\$	\$			
Other :	\$	\$			
City CDBG	\$	\$			
<b>TOTAL SOURCES:</b>	<b>\$</b>	<b>\$</b>			

<sup>(1)</sup>For example: forgivable loan, direct loan, or grant.

NOTE: Total Loan Requested - Uses (2.1) and Total Sources (2.2) should be equal.

2.3. Explain why assistance is needed from the City, and why it cannot be obtained elsewhere. If the applicant did not apply for a loan through a private financial institution, please explain why. If denied assistance through a financial institution, please attach the letter of denial.

- 2.4. Indicate the owner's contribution (cash, assets for the operation of the business, etc.) to this project. (This amount should not be included in questions 2.1 and 2.2)
- 2.5. Identify all agencies or institutions involved in the project (financial, technical assistance, etc.) and what their involvement is:
- 2.6. What type of security will the assisted business provide the City? If no security or less than the dollar amount requested is offered, an explanation must be provided.
- Corporate Guaranty
  - UCC Financing Statement
  - Irrevocable Letter of Credit
  - Personal Guarantee
  - Surety Bonds
  - Mortgage on Real Estate
  - Escrow Account
  - Other: \_\_\_\_\_

Before execution of a CDBG agreement, if the collateral consists of machinery and equipment, inventory, or other, the applicant must provide an itemized list that contains serial and identification numbers for all articles that had an original value of greater than \$5,000. Include a legal description of real estate offered as collateral.

- 2.7 If the City did not provide financial assistance, could the project proceed?

**Section 3: Jobs to Be Created/Retained**

**SPECIAL NOTE:** *The Community Development Block Grant (CDBG) program requires that at least 51% of the jobs created or retained must be held by or made available to low-moderate income persons. The business acknowledges that if it fails to create and/or retain the jobs identified below by the end of the project period and maintain them for a period of time (usually 12 months from the date of the award); it may be required to reimburse City funds for the employment shortfall.*

3.1 If an existing business, how many employees are currently employed at your City location? Please attach a copy of the company's work force roster and PA UC2A for the most recent quarter.

3.2 Complete the following chart identifying the number of jobs to be created and/or retained based on this specific project.

**Type of Job and Hourly Rate for Created and/or Retained Positions  
in First 12 Months of Project Award**

# of Jobs Created	# of Jobs Retained	Type of Job	No. Hours Per Week	Hourly Rate of Pay	Fringe Benefits*
		Officials & Managers			
		Professional			
		Technicians			
		Sales			
		Office & Clerical			
		Craft Wokers (Skilled)			
		Operatives (semi-skilled)			
		Laborers (unskilled)			
		Service Workers			

*\*If fringe benefits are provided, please attach a description of all employee benefits provided by and paid for (in full or in part) by the business.*

3.3 What is the estimated annual payroll for the new employees resulting from this project?

3.4 If an existing business, will any of the current employees lose their jobs if the project does not proceed? If yes, how many? Explain why:

#### **Section 4: Economic & Environmental Impact**

4.1. What other City companies could be considered to be your competitors?

4.2. Please describe the energy and resource efficiency programs, waste reduction, waste exchange, and recycling programs at your City operation.

## **Section 5: Community Involvement, Compliance with Law**

- 5.1 In addition to your normal business activities, does your business contribute or have plans to contribute to the community through volunteer work, financial contributions, or through other means? Please describe.
- 5.2 Has the business been cited or found to violate any federal or state statute or regulation within the last five years (including, but not limited to environmental regulations, payroll taxes, Occupational Safety and Health Administration laws, Fair Labor Standards, the National Labor Relations Act, the Americans with Disabilities Act)? If yes, please explain the circumstances of the violation(s).
- 5.3 Has the company or any officer of your company been involved in bankruptcy or insolvency proceedings during the past 7 years from the date of this application? If so, provide the details.
- 5.4 Are you or your business involved in any pending lawsuits? If yes, provide the case name of the lawsuit, docket number, and city and state where it is pending.

## Section 6: Summary of Required Attachments

Check off each attachment submitted. If not submitted, explain why.

- Business plan (if start-up business)
- Balance Sheet (3 year historical if an existing business. Start-ups must provide a pro-forma balance sheet)
- Profit and loss statements (3 year historical if an existing business, 3 year projection for start-ups)
- 12 month cash flow statement (if the business does not expect to turn profitable within the first 12 months, provide a cash flow statement extended to the year the business expects to turn profitable)
- Description of fringe benefits provided to employees, if applicable
- Brief description of the education, technical and business background for all the persons listed under Management (Question #1.4)
- If an existing company, copy of the company's work force roster and PA UC2A.
- Construction loans only: Cost estimates for construction and a statement of the source of any additional funds
- Include a list of any machinery or equipment or other non-real estate assets to be purchased with the financial assistance and the cost of each item as quoted by the seller. Include the seller's name and address.
- Upon review of a submitted application, the City reserves the right to request additional information in order to assist the City with its evaluation of an application.

