

Mt Hood Economic Alliance
Clackamas • Hood River • Wasco Counties
MtHoodEA.org

**Mt Hood Economic Alliance Business Development Loan
Fund Application**
Overview

The Mt Hood Economic Alliance provides gap financing loans for local businesses in Clackamas, Hood River and Wasco counties. MHEA provides secondary financing for businesses unable to secure (enough) financing through conventional banking means. MHEA's loan fund is currently capitalized at about \$900,000 with approximately \$250,000 available for small business lending. A regional economic development partnership, the Alliance seeks out and invests in projects that create jobs and leverage additional investment for the three counties. Project applications are taken and reviewed year-round depending on funding availability.

Minimum Funding Criteria:

1. Project creates/retains at least 1 job for every \$5,000—\$10,000 of MHEA funding received.
2. Project leverages a minimum of \$2.5 for every \$1 of MHEA funding received.
3. Project is located in and benefits residents living in Clackamas, Hood River or Wasco counties.
4. Project is ready to go, with job creation to be completed within two years of a signed contract.
5. Project is part of a specific community business development strategy or private business plan.

Project Review Considerations:

- What is the quality of jobs being created? (Wages, career development)
- How much additional funding is being leveraged?
- Does the project benefit the region's economic development? Does the business sell goods or services outside the region?
- What other funding options have been pursued?

Additional Project Funding Decision-Making Guidelines

Focus of the business development loans are on economic development projects that:

- Achieve an average wage level at or above the county average wage.
- Demonstrate readiness to proceed (eg, land use, permitting, financial commitments are in place)

- Demonstrate financial need and feasibility, and return on investment (tax base increase, state tax revenues generated, new sales generated, community economic impacts, etc).
- Benefit the economy of the region or multiple firms/entities in the region.
- Demonstrate ongoing sustainability.
- Demonstrate other unique characteristics, such as achieving average wage level of jobs created, firm size of companies receiving benefits, businesses benefited that are minority-owned, businesses benefited that are woman-owned, and number of Oregonians benefiting.

Loan Award Funding Guidelines:

- Applicants must demonstrate that they have been unable to acquire conventional financing for the project.
- Applicants must sign a personal and corporate (if applicable) guarantee for the funds.
- Loans must be fully collateralized, although MHEA can take a secondary position to another lender.
- Semi-annual reporting and documentation of project progress, job creation, funds leveraged, budget and achievement of performance measures are required of all funded projects. Job creation must be documented with payroll records and reported quarterly through Oregon Employment Department Quarterly Reporting forms.

Applying to MHEA

MHEA applications are available at the MHEA website, MtHoodEA.org or by contacting the Loan Fund Manager by phone at 541/296-2266 x 1004 or by email at loanmanager@mcedd.org. Submission of an application must be electronically, as well as 1 printed copy.

Applications must be received by the first of the month if they are to be considered in that same month. The MHEA Board meets the third Friday of the month and makes preliminary application decisions at that time. Final contract terms are worked out over the next 30 days.

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Business Development Loan Application

Application form is available at MtHoodEA.org or by contacting MHEA at 541/296-2266 x 1004

Part A Applicant Information:			
Applicant:		Contact, Title:	
Street/Mailing Address:		Street/Mailing Address:	
City/Zipcode:		City/Zipcode:	
Phone:		Phone:	
Fax:		Fax:	
E-Mail:		E-Mail:	

Project Title:	
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Part B Funds Requested and Project Costs:	
\$	Loan Amount Requested
\$	Applicant's Cash Participation
\$	Applicant's In-Kind Participation
\$	Other Funds (Specify):
\$	Other Funds (Specify):
\$	Total Project Cost

Part C Certifications:	Instructions - All applicants must complete this part.
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General Certification
 I certify that, to the best of my knowledge: 1) all information contained in this application and the attached supplements, if any, is valid and accurate; and 2) if funding is received, we will comply with all federal and state requirements that apply to the use of the requested funds.

Signature		Title	
Name		Date	

Part D Project Information	Instructions - All applicants must complete this part.
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- Job Creation/Retention** – Describe the jobs to be created/retained for two years, if this project is funded:

	Number	Average Wage/ Wage Range	Industry
Jobs Created			
Jobs Retained			

*Please attach your answers to the questions below to your application.

2.	<u>Background/Need for Funding.</u> Briefly identify the problem(s) being addressed by this funding request.
3.	<u>Proposed Solution.</u> Describe the project, how will the requested funds and other sources of funds be spent?
4.	<u>Expected Outcomes.</u> What will the project accomplish? How will this project benefit the business and local community?
5.	<u>Project Fit with Company's Overall Business Strategy/Plan.</u> How is this project part of an overall (written) business strategy/plan for the company?
6.	<u>Readiness to Proceed.</u> How soon can the project get started, what other activities/funding needs to be in place before the project can proceed?
7.	<u>Project Timeline.</u> What is the project schedule? When will the jobs be created/retained?
8.	<u>Other Funding.</u> What other sources of funding have been sent applications for this project? What is the status of those applications?
9.	<u>Other Project Characteristics.</u> What are other unique characteristics of the project make it worthy of funding?
10.	<u>Project Manager. (Attach Resume)</u>

Part E Project Cost Summary:

Complete this table or attach a detailed supplemental budget or engineering estimate that identifies all project costs.		Other Public Funds	Private Investments	Project Total
Project Activities	Funds Requested			
	Total Project			

Part F Contracting Information:

1.	Legal name of entity which will enter into contract if funds are awarded:		
Entity type:	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company or Partnership	
<input type="checkbox"/> Non-Profit	<input type="checkbox"/> Limited Partnership	<input type="checkbox"/> Sole Proprietorship	
<input type="checkbox"/> Corporation	<input type="checkbox"/> Professional Corporation	<input type="checkbox"/> Municipal Government	
<input type="checkbox"/> Other			
Street/Mailing Address:			
City/Zipcode:			
E-mail address:		Fax:	
Contact Name:		Phone:	
Contact Title:			
Identification Numbers:	Federal	OR Employment	
Name of person authorized to negotiate/sign contracts:			

Email an electronic copy of your application to loanmanager@mcedd.org and send 1 printed copy to MCEDD, 802 Chenoweth Loop Road, The Dalles, OR 97058. Questions, contact: Loan Fund Manager at 541/296-2266 x 1004 or loanmanager@mcedd.org.