



## **Small Business Development Loan Program**

### **Mission Statement**

The City's mission is to lend to new or existing small businesses that will locate or expand in Canandaigua for the purpose of attracting jobs and commerce to the area.

### **Loan Policy**

#### **Funding Eligibility and Limits:**

The City will start with a \$250,000 investment in loans not exceeding \$50,000 and not less than \$10,000 for the following activities:

- Property acquisition, construction, or infrastructure improvements
- Purchase of equipment, fixtures, and furnishings
- Leasehold improvements

The funds cannot be used for working capital such as salaries, rent expense, or the purchase of inventory.

The interest rate will be 2% over the life of the loan, and the maximum term will be 60 months. The loans will be fully amortizing with no balloon payments.

Applicants are required to contribute funds to the project. The loan cannot exceed 25% of costs.

#### **Selection Criteria:**

The funding of projects will be a competitive process awarded according to the determination of a Loan Committee. Funds will be awarded to projects that have the greatest likelihood of creating a desired economic impact within the city. The following categories will be assessed in the loan approval process:

- Adherence to the City's Comprehensive Plan
- Potential job creation
- Owner's equity contribution to the project
- Project readiness

The applicant must demonstrate to the Loan Committee's satisfaction a commitment and intent to repay the loan, and an ability to repay the loan. The borrower must be current in all tax payments at all levels, including any approved plan to pay taxes and fees

**Security:**

Security for loans will be indicated on the completed application and adequacy will be determined by the Loan Committee on a case by case basis. Every loan will be collateralized to the fullest extent possible. Each loan will be personally guaranteed. Owners of 20% or more of the assets of the business are required to personally guarantee a loan made to that business.

**Fund Administration:**

The Loan Fund is administered by the City of Canandaigua, and Canandaigua National Bank & Trust Company.

**Loan Application Procedures****Loan Application:**

Loan applications will be made through the City of Canandaigua. Each loan application must be accompanied by a non-refundable fee of \$50.00. A closing fee of 1% of the total loan will be due at closing and may be taken out of the loan proceeds. This fee helps defray the costs of application processing and loan closing. Additional fees may be due at closing depending upon any required filing fees or additional legal costs that may be necessary for each approved loan.

Loan requests must be made via the application form. The following is required to be included in each application:

- a. Written Business Plan inclusive of financial projections, and a summary of sources and uses of fund including any invoices/quotes.
- b. 1 year of the most recent personal federal income tax returns for each of the 20% business owners
- c. 1 to 2 years of annual financial statements or Federal Income tax returns for the business for the most recent years completed.
- d. Personal Financial Statement form from each owner
- e. Proof of funds available to contribute to the project
- f. The Loan Committee may request to meet with the applicant.
- g. Copy of individual credit report for each owner dated within 2 weeks of the application.

If more room is necessary to complete the application form, please submit a typed document with additional information.

Applications should be submitted to:

City Manager's Office  
2 North Main Street  
Canandaigua, NY 14424

**Loan Closing:**

In order for a loan to be closed, all conditions contained in the Commitment Letter must be satisfied.

**Standard Loan Documents:**

Standard documentation required for each loan closing will include:

- Promissory note;
- Security Agreements, including UCC financing statements, DMV 900 (if a vehicle is taken as collateral)
- Guarantees

Standard documentation required for business will include:

- Corporate Guarantee
- Affidavit for Loan to a Corporation
- Certificate of Resolution of Directors

Loan closings will occur at Canandaigua National Bank & Trust Company, 72 South Main Street, Canandaigua.

**CITY OF CANANDAIGUA  
2 North Main Street  
Canandaigua, NY 14424**

**LOAN PROGRAM APPLICATION**

**PLEASE PRINT CLEARLY AND COMPLETE ALL SECTIONS OF THIS APPLICATION**

**LEGAL NAME OF APPLICANT**

Legal Name
DBA Name, if applicable Integrated Systems

**LOAN REQUEST**

Loan Product	Amount Requested	Term Requested	Business Purpose
<input type="checkbox"/> Real Estate (Purchase or Construction)	\$		
<input type="checkbox"/> Equipment Term Loan	\$		
<input type="checkbox"/> Leasehold Improvements	\$		

**COLLATERAL OFFERED TO SECURE THE LOAN**

Type of Collateral	Estimated Value	Source of Value, Please Attach Detail Schedules	Any Existing Lien?/\$ Amount
	\$		
	\$		
	\$		
	\$		

Is the collateral being pledged owned by someone other than the business or the owners of the business?  Yes  No

**BUSINESS INFORMATION**

Business Legal Name		Tax ID	
Business Address	City	State NY	Zip Code
Web Site Address /	Phone ( )	Fax ( )	
Nature of Business			
Date Business Established (mo./year)	Present Ownership Since (mo./year)	# of employees	
Annual Gross Sales/Revenues (last fiscal year)			
Business Structure <input type="checkbox"/> Proprietorship <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> C-Corporation <input type="checkbox"/> S-Corporation <input type="checkbox"/> Professional Corporation <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Other:			

**BUSINESS DEPOSIT ACCOUNTS**

Name of Financial Institution	Type of Account	Current Balance	6 Month Average Balance
	Business Checking		\$
	Savings		\$
	Business Checking		\$

**BUSINESS DEBTS**

Name of Creditor	Loan Type (Term, Line, etc.)	Limit or Orig. Amount	Current Balance	Monthly Payment	Pmt. Type (P&I, Int. only, etc.)	Maturity Date
		\$	\$	\$		
		\$	\$	\$		
		\$	\$	\$		
		\$	\$	\$		

If you will be refinancing any of the above loans with this request, please mark the loans to be paid off with an asterisk (\*).

**PLEASE GIVE THE FOLLOWING INFORMATION ON ALL OWNERS/PRINCIPALS (attach additional app. if necessary)**

Owner/Principal Name			
Home Address	City	State	Zip Code
Home Phone ( )	Social Security No.	Date of Birth	
Residence <input type="checkbox"/> Own <input type="checkbox"/> Rent <input type="checkbox"/> Other: (describe)	Years There		
Checking Account With	6 Month Average Balance \$		
Percent Ownership in Business	Title/Position		
Total Assets \$	Total Liabilities \$	Net Worth \$	
Monthly Gross Salary \$	Monthly Other Income* \$	Other Income Source	
Monthly Revolving Credit Payments \$	Monthly Mortgage or Rent Payment \$	Other Monthly Debt Payments \$	

Owner/Principal Name			
Home Address	City	State	Zip Code
Home Phone ( )	Social Security No.	Date of Birth	
Residence <input type="checkbox"/> Own <input type="checkbox"/> Rent <input type="checkbox"/> Other: (describe)	Years There		
Checking Account With	6 Month Average Balance \$		
Percent Ownership in Business	Title/Position		
Total Assets \$	Total Liabilities \$	Net Worth \$	
Monthly Gross Salary \$	Monthly Other Income* \$	Other Income Source	
Monthly Revolving Credit Payments \$	Monthly Mortgage or Rent Payment \$	Other Monthly Debt Payments \$	

\*You are not required to disclose alimony, child support, separate maintenance income or its source, unless you want it considered in connection with this application.

**PLEASE PROVIDE US WITH THE FOLLOWING INFORMATION**

Is your business involved in or does any income come from internet gambling operations? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Has the business ever declared bankruptcy? <input type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, Chapter
Has any principal/owner ever declared bankruptcy? <input type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, Name and Chapter
Are there any delinquent taxes owed by the business or any principal/owner? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date of Filing
Is there any pending litigation or unsatisfied judgements for the business or any principal/owner? <input type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, Explain
Is the business or any principal/owner contingently liable for any debts? <input type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, Explain
Does any one customer represent more than 10% of annual sales/revenues? <input type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, Customer Name and Percentage
Is the business for sale or under agreement that would change the ownership? <input type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, Explain
Has the business incurred a loss in the last 3 years? <input type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, Explain

**INCLUDE COPIES OF THE FOLLOWING WITH YOUR APPLICATION**

- Past two years of signed business tax returns or business financial statements and current business projections.
- If the business is a start-up, a written business plan is needed.
- Most recent year signed personal tax return for each owner, including all schedules, K-1's and W-2's.
- Current personal financial statement for each business owner.
- If purchasing equipment or a vehicle, include invoice.
- Summary of sources and uses of funds in relations to the project being funded.
- A Copy of individual credit report. The report date must be within two weeks of the application.

By signing below and submitting this application, the business or principal/owner represents and agrees, personally and on behalf of the company, as follows: The undersigned certifies that the current information and attached financial statements are, and those submitted in the future will be, true and complete. The undersigned also certifies that the full loan proceeds will be used exclusively for business related purposes. Subsequent Credit Reports may be requested or utilized in connection with an update, renewal, or extension of existing or future extensions of credit. If the undersigned asks, the City will tell the undersigned the name and address of the Credit Bureau from which the City obtains a credit report on the undersigned and the specific reasons for credit denial if this application is denied.

Business Name \_\_\_\_\_

Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_