

## Local Option Development Plan Loan Fund or Economic Enhancement Fund

The purpose of the Local Option Development Plan Loan and Economic Enhancement Fund is to encourage population growth, new industries, and investment in the community. Funds are offered to businesses in the form of low or 0% interest loans and performance-based forgivable loans (grants), based upon creation of new jobs and investment in Fremont. Businesses must provide matching funds for the project.

Potential City uses include land improvements; public infrastructure; building acquisition and improvements; retail industry; service industry; other new industry; equipment, working capital, job training and buy-down leases for Primary Industry; equipment, job training, buy-down leases, land improvements, building acquisition and improvements and infrastructure for Non-primary Industry; and other economic development activities allowed by statute.

Eligible activities under the Economic Development Plan may include the following to attract new and existing business and industry development in Fremont.

- Land purchase/options
- Infrastructure to new or existing business and industry
- Site improvements
- Construction for new or existing business or industry or on a speculative basis

The matrix for the two programs include:

### **Interest Rate Qualification Criteria:**

#### **Jobs**

Compensation	Interest Rate
> \$ 18.00/hour and benefits	0%
> \$ 16.00/hour and benefits	2%
< \$ 14.00/hour and benefits	4%
No benefits offered	6%

*Benefits" = 50% of the cost of health insurance paid by the employer*

#### **Investment**

City Participation	Interest Rate
<10%	0%
10% - 19.99%	2%
20% - 29%	4%
30% +	6%

#### **Sales Tax**

Based on the initial years taxable sales.

Taxable Sales	Interest Rate
>\$999,999	0%
\$500,000 - \$999,999	2%
\$250,000 - \$499,999	4%
\$50,000 - \$249,999	6%

Businesses will be given the benefit of the category under which they meet the requirements for the lowest interest rate. Based on staff discretion, up to a 2% reduction will be provided if multiple categories are met. The interest rate will never be less than 0%.

Loans will be structured as at-risk or performance based forgiveness. To qualify for a performance based forgiveness loan, the applicant must:

- Pay employees at 125% of the Dodge County average wage; and
- Have taxable investment greater than \$2.5 million dollars, or
- Have taxable sales greater than \$2.5 million dollars.

**NOTE:** Based on special circumstances, staff can make recommendations to the City council outside of these parameters.

To be considered for financial assistance, applicants must provide a completed application, including all applicable attachments. Return completed application to

**City of Fremont**  
**Attn: Jean Kaup Van Iperen**  
**400 E. Military**  
**Fremont, NE 68025**

**CITY OF FREMONT, NEBRASKA  
REQUEST FOR ASSISTANCE AGREEMENT**

THIS REQUEST, is made on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_  
\_\_\_\_\_, of \_\_\_\_\_  
\_\_\_\_\_ (hereinafter referred to as the  
("Applicant") to the City of Fremont, Nebraska (hereinafter referred to as the "City").

**WITNESSETH:**

WHEREAS, APPLICANT has requested the CITY to investigate the feasibility of obtaining an Local Option Development Plan Loan or Economic Enhancement Loan in connection with the financing of a project to be undertaken by Applicant.

NOW, THEREFORE, in consideration of the request the following may be done:

1. City agrees to work with the Applicant to investigate the feasibility of obtaining financing through a Local Option Development Plan Loan or Economic Enhancement Loan for the Project. City will investigate the financial condition of Applicant and determine whether or not a Local Option Development Plan Loan Application or Economic Enhancement Loan Application is appropriate. City will submit the needed paperwork for a Local Option Development Plan Loan or Economic Enhancement Loan for the Applicant to the appropriate committees and City Council, if:

- a. Applicant is within the eligibility criteria and the Project is likely to be approved by the City Council for an Local Option Development Plan Loan or Economic Enhancement Loan, and;
- b. All other elements of the Project can be financed and /or paid for through the infusion of equity capital by the Applicant.

2. If the City determines, in its sole discretion, that the Applicant is eligible for a Local Option Development Plan Loan or Economic Enhancement Loan, then, and in such event, City will advise and consult with the Applicant in the preparation by the Applicant for a complete set of Loan documents together with supporting exhibits, for the purpose of making applications for an Local Option Development Plan Loan or Economic Enhancement Loan (hereinafter referred to as the "Loan Package"). The Loan Package shall be for the sole benefit of the Applicant provided however, that such Loan Package shall be used by the City in connection with the Application for a City Loan on behalf of the Applicant, provided, however, that the Loan Package may be used by the Applicant in seeking financial assistance or guarantees from other governmental agencies and/or private lenders.

3. Applicant hereby acknowledges that the Applicant is charged with the actual responsibility of preparing the Loan Package, and that the City's sole responsibility in connection with the preparation of the Loan Package shall be to consult with and advise the Applicant. The Applicant further acknowledges that the Applicant will be required to promptly and accurately supply financial information concerning the Project, the operation of Project, together with the manner, method and terms of financing the Project. Applicant further specifically acknowledges and agrees that the obtaining of a Local Option Development Plan Loan or Economic Enhancement Loan, or any other financing is dependent upon many factors that the City cannot control, including but not limited to economic factors and the decisions of the City Council, accordingly, the City does not guarantee that the Applicant will obtain financing for the Project. Applicant hereby covenants and agrees that City shall not be responsible, in any manner, or liable to the Applicant or any other person in the event that the Applicant is unable to obtain a Local Option

Development Plan Loan or Economic Enhancement Loan for the Project, or any other type of financing for the Project, whether from the City or any other governmental or public source, or from any private financing sources. Applicant also further covenants and agrees that the City shall not be liable for any of the debts or obligations incurred in and for the assistance of benefit of the Applicant. Applicant further agrees that Applicant will hold the City harmless, and pay all costs and expenses, including attorney's fees, in the event that any claim is made or lawsuit is filed by or against the City arising out of any transaction with or assistance to the Applicant which may in any way be connected with the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed, caused to be duly executed this Agreement, and have affixed or caused to be duly affixed hereto there seals, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

APPLICANT

BY: \_\_\_\_\_



**Economic Enhancement Fund and  
Local Option Economic Development Loan Fund Application  
(Application is an Official Public Document)**

**PART I.**

**A. Business (Borrower) Information:**

Name of Business to Receive Assistance: \_\_\_\_\_

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

\_\_\_\_\_ City State Zip

Contact Person: \_\_\_\_\_ Telephone No. (\_\_\_\_) \_\_\_\_\_ FAX No. (\_\_\_\_) \_\_\_\_\_

Business Classification (mark one):    \_\_\_ Manufacturing            \_\_\_ Warehousing and Distribution  
    \_\_\_ Service                            \_\_\_ Research and Development  
    \_\_\_ Administrative Management Headquarters

Federal ID #: \_\_\_\_\_

Business Organization (mark one):   \_\_\_ Proprietorship   \_\_\_ Corporation   \_\_\_ Partnership   \_\_\_ Other

Does the Company have a Parent or Subsidiaries?   \_\_\_ Yes   \_\_\_ No

If Yes, Identify Name: \_\_\_\_\_

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

\_\_\_\_\_ City State Zip

Business Type:   \_\_\_ Start-up (0-5 yrs old)   \_\_\_ Buyout   \_\_\_ Existing   If existing, years in Business \_\_\_\_\_

**Ownership Identification:** *List all officers, directors, partners, owner, co-owners and all stockholders with 20% or more of the stock.*

Name	Title	Ownership %
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Employment Information**

Personnel: **(Full-Time-Equivalent, FTE is based upon 2,080 hours per year.)**

Existing Number of Full-Time Equivalent Positions: \_\_\_\_\_

Full-Time-Equivalent Positions to be **Created** within \_\_\_\_\_ months of Application Approval: \_\_\_\_\_

If Jobs Would Be Lost Without Loan Approval, Total Number of Full-Time-Equivalent Jobs **Retained:** \_\_\_\_\_

What is the Average Wage for Employees? \_\_\_\_\_

Please describe all benefits which the business provides to employees:

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**B. Project Information**

<b>USES OF FUNDS:</b>	<b>Total Project Cost</b>	<b>Loan Funds Requested</b>	<b>Total Funds</b>
Land Acquisition	_____	_____	_____
Building Acquisition	_____	_____	_____
Renovation	_____	_____	_____
New Facility Construction	_____	_____	_____
Acquisition of Machinery/Equipment	_____	_____	_____
Acquisition of Furniture/Fixtures	_____	_____	_____
Working Capital (Includes Inventory)	_____	_____	_____
Other (Specify)	_____	_____	_____
<b>Total:</b>	_____	_____	_____

**Project Schedule:**

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**C. SOURCES OF FUNDS:**

**Note:** Public sources of financing require the participation of a Bank and/or an injection of equity (non-debt) funds.

**Participating Lender Information:**

Name of Lending Institution: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_  
 Loan Amount: \$ \_\_\_\_\_ Loan Term: (Yrs) \_\_\_\_\_  
 Interest Rate: \_\_\_\_\_ % \_\_\_\_\_ Variable \_\_\_\_\_ Fixed  
 Collateral Required: \_\_\_\_\_ Equity Required: \_\_\_\_\_

**Equity Information:**

Amount available from business or owners for investment: \$ \_\_\_\_\_  
 Source of owner's equity into project: \_\_\_\_\_

Project Location:

- Within the City Limits of (Fremont)
- Outside of City Limits but within the Zoning Jurisdiction of (Fremont)
- Unincorporated Area (Dodge County)

**D. ATTACH THE FOLLOWING: (Items 8-13 shall be considered confidential)**

(1) Brief description of the business' history.

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(2) Brief description of the proposed project. Has any part of this project been started?  Yes  No

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(3) Description of Impact of Project on Applicant and Community: \_\_\_\_\_

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(4) Have you ever declared bankruptcy?  No  Yes If yes, Bankruptcy Chapter \_\_\_\_\_  
Case # \_\_\_\_\_ Date of Deposition/Discharge \_\_\_\_\_

(5) Are there any unsatisfied judgments against you?  No  Yes  
Amount per month \_\_\_\_\_ To Whom \_\_\_\_\_

(6) Have you defaulted on any previous loan?  No  Yes Give details \_\_\_\_\_

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(7) Are you a party to a lawsuit?  No  Yes Give details \_\_\_\_\_

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(8) \_\_\_\_\_ 3-Year historical balance sheets and operating statements. Current statements less than 90 days old. (Existing Businesses Only). Provide the following and reconcile to current balance sheet:

\_\_\_\_\_ Aging of Accounts Payable and Accounts Receivable.

\_\_\_\_\_ List of current obligations.

(9) \_\_\_\_\_ Personal Financial Statement and resumes for each person owning 20% or more of the business.

(10) \_\_\_\_\_ Credit Report from Credit Reporting Agency. Contact your bank for information.

(11) \_\_\_\_\_ Monthly cash flow analysis for the next 12 months and for new businesses, 3 months beyond the breakeven point.

(12) \_\_\_\_\_ Indemnification Agreement

(13) \_\_\_\_\_ Tax Returns for the last two years

Once all documents have been received, the City of Fremont staff will review the application to determine if it meets the Local Option Economic Development Plan Fund or Economic Enhancement Loan Fund eligibility requirements. If eligible, a meeting will be scheduled with you.

The above information is accurate to the best of my knowledge and belief. The above information is provided to help you evaluate the feasibility of obtaining public financial assistance. I understand that pages 1-3 of this application are public information and are subject to public disclosure during the application process.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

**REQUEST FOR PROTECTED RECORD STATUS  
(Business Confidentiality Claim)**

Name and Address of business and representative making this confidentiality claim (please print or type):

\_\_\_\_\_

I request the attached/enclosed information (record) provided to the City of Fremont or any of its agencies (divisions or programs), be considered confidential and given protected status.

Description (optional) of the information (record) which is to be covered by this confidentiality claim and which you believe qualifies for protected status \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The following reasons support this claim of business confidentiality. Please check all of the following which apply:

- 1. The record provided is a trade secret.
- 2. The record is commercial or non-individual financial information and disclosure of the information could reasonably be expected to result in unfair competitive injury to the provider of the information.
- 3. The record is commercial or non-individual information and disclosure of the information could reasonably be expected to impair the ability of the City of Fremont, or its agencies, to obtain necessary information in the future.
- 4. The record is commercial or non-individual financial information and the interest of the provider in prohibiting access to the information is greater than the interest of the public in obtaining access.
- 5. The information would reveal negotiations regarding assistance or incentives offered by or requested from the City of Fremont for the purpose of encouraging a person to expand or locate a business in Fremont, but only if disclosure would result in actual economic harm to the person or place the City of Fremont at a competitive disadvantage. **NOTICE:** Records evidencing a final contract may not be classified protected under this section.

Statement (a concise written statement supporting a business confidentiality claim is required, use reverse side of this sheet or attach additional sheets if necessary.

**NOTE:** Claimant shall be notified if a record claimed to be protected is classified public or if the determination is made that the record should be disclosed because the interest favoring access outweigh the interest favoring restriction of access. Records claimed to be protected under this business confidentiality claim will be reviewed by the City Attorney for the City of Fremont for final determination. The City attorney will notify applicant if any documents would be deemed public records.

By \_\_\_\_\_ Date \_\_\_\_\_

**PERSONAL FINANCIAL STATEMENT**  
**As of \_\_\_\_\_ 20\_\_\_\_**  
**(Confidential Document Information)**

Complete this form if: 1) a sole proprietorship by the proprietor; 2) a partnership by each partner; 3) a corporation by each officer and each stockholder with 20% or more ownership; 4) any other person or entity providing a guaranty on the loan.

Name \_\_\_\_\_ Residence Phone \_\_\_\_\_

Residence Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Business Name of Applicant/Borrower \_\_\_\_\_

ASSETS		(Omit Cents)		LIABILITIES		(Omit Cents)	
Cash on hand & in Banks	\$ _____	Accounts Payable	\$ _____	Savings Account	\$ _____	Notes Payable (to Bank & Others)	
IRA	\$ _____	(Describe in Section 2)	\$ _____	IRA	\$ _____	Installment Account (Auto)	\$ _____
Accounts & Notes Receivable		Mo. Payments	\$ _____	(Describe in Section 6)	\$ _____	Installment Account (Other)	\$ _____
Life Insurance - Cash		Mo. Payments	\$ _____	Loans on Life Insurance	\$ _____	Mo. Payments	\$ _____
Surrender Value Only	\$ _____	Mortgages on Real Estate		(Describe in Section 3)	\$ _____	(Describe in Section 4)	\$ _____
Stocks and Bonds		Unpaid Taxes		Real Estate	\$ _____	(Describe in Section 7)	\$ _____
(Describe in Section 4)	\$ _____	(Describe in Section 8)	\$ _____	Automobile - Present Value	\$ _____	Total Liabilities	\$ _____
Other Personal Property		Net Worth	\$ _____	(Describe in Section 5)	\$ _____	Total	\$ _____
Other Assets				(Describe in Section 6)	\$ _____		
Total	\$ _____						
<b>Section 1. Source of Income</b>				<b>Contingent Liabilities</b>			
Salary	\$ _____	As Endorser or Co-Maker	\$ _____	Net Investment Income	\$ _____	Legal Claims & Judgments	\$ _____
Real Estate Income	\$ _____	Provision for Fed Income Tax	\$ _____	Real Estate Income	\$ _____	Other Special Debt	\$ _____
Other Income (Describe)	\$ _____						
Description of Items Listed in Section 1: _____							
*(Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.)							
<b>Section 2. Notes Payable to Banks and Others</b>							
Name & Address of Noteholder	Original Balance	Current Balance	Payment Amount	Terms (Monthly - etc.)	How Secured or Endorsed - Type of Collateral		

