

PURCHASE AREA DEVELOPMENT DISTRICT
COVID-19 BUSINESS RELIEF WORKING CAPITAL
LOAN PROGRAM

The PADD Revolving Loan Fund (RLF) COVID-19 Business Relief Working Capital Loan Program was established to assist businesses in the industrial, commercial, agricultural, and service sector that have been economically impacted by the COVID-19 Pandemic. It is designed to have an impact on restoring the economic growth of the region.

PROGRAM GUIDELINES

1. Projects must be located in Ballard, Calloway, Carlisle, Fulton, Graves, Hickman, Marshall, and McCracken Counties.
2. Project must be in the industrial, commercial, agricultural, and service sectors.
3. Loans will be used for meeting short term (3 months) working capital needs such as payroll, fixed asset debt, rent, utilities, supplies, inventory management, and/or payments to suppliers.
4. Loans will range from \$5,000 to \$25,000.
5. Maximum Terms: Up to 36 months with six (6) month deferral from date of loan closure.
6. The floor interest rate charged on all loans will be the lesser of either 75 percent of the prime rate as published in the Money Rates section of the Wall Street Journal, or four percent.
7. A blanket lien (UCC) will be filed on "all available business assets".

LOAN PROCESS

1. Potential applicants should contact the PADD office to discuss project eligibility.
2. Following eligibility determination, an application must be submitted to PADD for staff review and preliminary approval.
3. All applications must receive approval from the following before final approval is given:
 - a. Purchase Area Development District COVID-19 Business Relief Working Capital Loan Review Committee.
4. No closing fees will be charged.
5. An applicant is not eligible to receive this assistance if the business has received a loan through the SBA's PPP or EIDL small business loan programs.



**Purchase Area Development District
COVID-19 Business Relief Working Capital Loan Program**

Applicant Information

Check One: Sole Proprietor Partnership LLC Independent contractor Self-employed Other

Business Name _____ DBA _____

Address _____ Business Tax ID _____

_____ Phone _____

Owner (s) _____ Title _____

Primary Contact _____ Email _____

Loan Request Information

PADD COVID-19 Business Relief Loans will range from \$5,000 to \$ 25,000

Amount of Loan Request: \$ _____ Number of Employees _____ Business Closed: YES or NO **NOTE:**
Eligible Expenses Include Payroll, Mortgage/Rent/Lease, Business Debt Payments, Inventory, Utilities. The PADD
May Request Proof of Use of Funds through Bank Statements or Receipts

| | Y | N | | Y | N |
|--|--------------------------|--------------------------|--|--------------------------|--------------------------|
| Is the Applicant or any owner of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy? | <input type="checkbox"/> | <input type="checkbox"/> | Has the Applicant, any owner of the Applicant, or any business owned or controlled by any of them, every obtained a direct or guaranteed loan from any Federal agency that is currently delinquent or has defaulted in the last 7 years and caused a loss to the government? | <input type="checkbox"/> | <input type="checkbox"/> |
| If the Applicant or any individual owning 20% or more of the equity of the Applicant subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, or on probation or parole? | <input type="checkbox"/> | <input type="checkbox"/> | The Applicant is not engaged in any activity that is illegal under federal, state, or local law. | <input type="checkbox"/> | <input type="checkbox"/> |

Certification of Application

Certification: I hereby represent and certify that the foregoing information, to the best of my knowledge, is (a) true, complete and accurately and fairly describes the proposed project for which financial assistance is sought; and (b) does not contain any information for which an entity competing with the applicant may claim a proprietary interest. I further certify that to the best of my knowledge and based upon due inquiry, neither I, nor any of the proposed guarantors or officers, directors or principals associated with the applicant are or were at the time of this application, directors or officers of, or otherwise have a fiduciary duty toward, an entity that is or may be in competition with the applicant. As used herein, applicant shall include any person or entity which is guarantying any proposed financing.

Conflict of Interest: I hereby represent and certify that neither I, nor any of the proposed guarantors or officers, directors, principals or employees associated with the applicant are, at the time of this application, related by blood, marriage, law or business arrangement to the PADD Board of Directors and/or other such PADD advisory Boards.

Name of Business _____

By _____ Title: _____

Signature _____ Date: _____

HAS THE BUSINESS RECEIVED A SBA PPP LOAN OR EIDL LOAN YES NO



PADD COVID Business Relief Working Capital Loan Application Required Document Check List

Please provide the following information for your loan application:

- Completed PADD COVID Business Relief Working Capital Loan Application
- Completed PADD monthly expense worksheet
- List of business assets (real estate, vehicles, equipment, FF&E, inventory)
- Articles of incorporation for each borrowing entity or business license
- By-laws or operating agreement for each borrowing entity, if unable to provide, then proof the business was in operation prior to 2/15/2020
- Copies of each owner's driver's license
- Tax Returns for 2019 or completed year-end financials.
- Most recent mortgage or rent statement
- Most recent utility bills
- Payroll expense verification documents*
 - IRS forms 940 and 941
 - Payroll summary report with corresponding bank statements
 - Breakdown of payroll benefits (PTO, vacation, allowance for dismissal, group healthcare benefits, retirement benefits, family medical leave, etc.) This should also include payment of cash tip or equivalent.
 - 1099s (if you are an independent contractor)
- Proof of payment of allowances paid for dismissal or separation.
- Proof of payment of group health benefits, including premiums paid in 2019 and 2020.
- Proof of payment of any retirement benefits in 2019 and 2020.
- Proof of payment of state and local taxed assessed on the compensation of employees for 2019 and 2020.
- Proof of payments for compensation to any sole proprietor or independent contractor for an amount not more than \$100k in one year (pro-rated for covered period).
- List of vendors or suppliers

****A worksheet on how to calculate your payroll expense will be provided at application for borrowers who are unsure on what tax documentation to provide to verify payroll expenses.***



COVID RELIEF EXPENSE SCHEDULE

| | |
|---------------------------|---------------------------|
| | |
| Applicant Business: _____ | As of month ending: _____ |

| EXPENSE TYPE (LIST CREDITORS) | PAYROLL | INTEREST ON LOANS | UTILITIES | RENT | LEASE | VENDORS | TOTAL MONTHLY |
|----------------------------------|---------|----------------------|-----------|------|-------|---------|---------------|
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| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| TOTALS | | | \$ | \$ | | | |

By: _____
Signature

Date: _____
Print Name and Title: _____

NOTE: ELIGIBLE LOAN AMOUNT= (MONTHLY EXPENSES) X 3

ELIGIBLE LOAN AMOUNT: \$

NOTES:

1.)PRINCIPLE PAYMENTS ON BUSINESS LOANS ARE NOT ELIGIBLE EXPENSES 2.)INPUT ACCOUNTS PAYABLES, INVENTORY, SUPPLIES UNDER "VENDOR"