

BINGHAMTON LOCAL DEVELOPMENT CORPORATION

SPECIAL PROJECTS/REVOLVING FUND LOAN PROGRAM GUIDELINES	
<p><i>The BLDC encourages sustainable development practices defined as development which meets the needs of the present at the same time as safeguarding and improving economic, social and environmental resources and the ability of future generations to meet their own needs.</i></p> <p><i>This institution is an equal opportunity provider, and employer.</i></p>	
1- Eligible Borrower	Proprietorship, Partnership, Corporation or LLC operating within the City limits of Binghamton
2- Ineligible Borrower	Not for Profit Corporations, Agencies, & Entities
3- Eligible Uses	<p>Acquisition of land, building, machinery, equipment, furniture/fixtures; development, rehabilitation, renovation, improvement of land, building and facilities. Pollution control and related improvements.</p> <p>Other project activities deemed by the BLDC Board of Directors to be within the general interest and purpose of it's mission and consistent with federal guidelines and current HUD requirements.</p>
4- Ineligible Uses	<p>Refinancing or payoff of existing loans or individuals, payments for projects already begun, speculation building, renovation or real estate site improvement without job creation or demonstrated retention.</p> <p>Projects located outside the City of Binghamton limits.</p> <p>Where feasible alternative project financing can be arranged.</p>
5- Loan Amount	Generally up to 40% of total project costs up to \$250,000.00 maximum.
6- Underwriting Requirements	<p>Project must meet Federal Guidelines and current HUD regulations</p> <p>Loan amount subject to BLDC Staff review and approval by the BLDC Board of Directors.</p> <p>Loans in excess of \$25,000.00 require subsequent approval by City Council.</p> <p>All loan programs subject to availability of funding.</p>
7- Equity	Minimum 10% owner equity investment
8- Terms	All loans will be collateralized with the business assets of the company.
9- Amortization	<p>To be determined in project analysis; 10 year term/20 year amortization maximum.</p> <p>Exceptions maybe considered subject to Board Approval based on scope of project</p>
10- Interest Rate	<p>3/4 of prime rate as published in the Wall Street Journal</p> <p>Rate Fixed on date of formal Board approval.</p>

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11- Job Creation	<p>Creation or retention of permanent full time (35 hours/week) jobs within 3 years of project completion - one job per every \$35,000.00 loaned.</p> <p>At least 51% of jobs created must be made available to persons whose income prior to hire falls into the HUD guidelines for “low to moderate-income.”</p>
12- Fees	<p>1% non-refundable application fee not to exceed \$1,000.00 paid on or before processing of loan for Loan Committee <u>AND</u></p> <p>2% non-refundable commitment fee due upon signing of commitment letter.</p>
13- Acceptance of Commitment	<p>Within 30 days from the date of the BLDC commitment letter</p>
14- Closing of Loan	<p>Within 90 days from the date the signed commitment letter has been received by the BLDC and the 2% commitment fee paid.</p>
<p>Interest of Members, Officers, or Employees of BLDC, Members of Local Governing Body, or Other Public Officials. No member, officer, or employee of the BLDC, or its designees or agents, no member of the governing body of the locality or localities who exercise any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any interest, direct or indirect, in a contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under the agreement between the Binghamton Local Development Corporation and the City of Binghamton.</p>	

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