



# **Micro-Enterprise Revolving Loan Program Application Package**



**Mayor Levar Stoney**

**City of Richmond  
Department of Economic & Community Development (DED)  
Office of Minority Business Development (OMBD)**

# Micro-Enterprise Revolving Loan Program

## General Provisions

The City of Richmond Department of Housing & Community Development will serve as the Program Administrator and will be assisted in the effort by the Office of Minority Business Development who will provide training and counseling services to the prospective program applicants.

## Purpose:

To provide access to capital to any for-profit small businesses, entrepreneurs, developers, limited liability corporations subchapter S, sole proprietorship, or other entity which is authorized to do business in the Commonwealth of Virginia and meets the definition of a microenterprise business.

## Eligibility:

- Businesses operating for at least two years (2) to receive loan and/or grant consideration.
- Individual consideration will be given to start-ups (new businesses, or in operation for less than two (2) years).
- The business must have no more than five (5) employees, including the owner(s).
- Additional services cannot be accessed when the business grows beyond the maximum employee requirement.
- The business must have a location within the City Of Richmond. Example: A food truck that is stored outside the City but has a licensed location in the City qualifies.
- A person "developing a microenterprise" is a person who has expressed interests toward development, after screening for capacity to undertake the development of that business.
- All borrowers must be able to show a minimum of twenty percent (20%) or more equity investment, or equity position in the business.
- Applicant must have all business licenses and the project must be located in the City of Richmond.
- Applicant must have a 20% or more personal investment or equity position in the business.
- Applicant and or business owner may not have tax liens and must be current with the filing of all withholding and other applicable taxes.
- Applicant must not have filed for personal or business bankruptcy within the past twelve (12) months and any bankruptcy, personal or business must be discharged at the time of application.

- Applicant's business financial statements and tax returns should reflect minimally profitable operations or break-even, at a minimum. Operating losses will not be an automatic disqualifier, but the business must demonstrate potential future profitability with a solid business plan or strategy.
- Applicant/borrower must be at least twenty-one or older and must be a legal U.S. citizen or have long-term alien residency status.
- Any loan and/or grant disbursed in support of a federal, state or local contract must be supported by a signed contract with the respective governmental entity.
- The applicant must have clearly defined business goals and demonstrate a commitment to working to make the business successful.

Maximum Loans: up to \$50,000

Interest rates: 3% to 6%

Eligible Loan Purposes: Purchase of manufacturing equipment, permanent working capital to pay staff, operating expenses, purchase inventory and manage receivables, acquisition of furniture, fixtures, and equipment, purchase of rolling stock, purchase software and computers, make leasehold improvements, and government contract receivable financing.

If Interested, Contact: ***Department of Economic Development***  
***1500 E. Main Street, Suite 400, Richmond, VA 23219***

Rick Winston, Program Administrator  
[Rick.Winston@rva.gov](mailto:Rick.Winston@rva.gov) P: (804)646-5036 F: (804)646-6358

Wilken Fernandez, Program Development Manager  
[Wilken.Fernandez@rva.gov](mailto:Wilken.Fernandez@rva.gov) P: (804)646-0361 F: (804)646-6358



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## **Application Checklist**

- ☐ Complete an assessment from the Office of Minority Business Development, 900 E. Broad Street, 16<sup>th</sup> floor, Richmond, VA 23219, 804-646-5947.
- ☐ Non-refundable application fee of \$50.00.
- ☐ Completed signed application.
- ☐ Business resume and/or business plan.
- ☐ Three most recent years of company's financial statements, current year to date interims and signed tax returns.
- ☐ Three most recent years of signed personal tax returns.
- ☐ Personal Resumes of all owners and no more than five employees including the owners.
- ☐ Personal Financial Statements (180 days old or less).
- ☐ Monthly cash flow budget for a minimum of 12 months.
- ☐ Copy of Certificate of Incorporation or Partnership Agreement, and City of Richmond Business License.
- ☐ A written explanation of any past or present credit problems, including judgments, collections, charge-offs, or bankruptcy by either the company or any guarantor.
- ☐ Stamp all documents confidential.

### **Contacts**

**Rick Winston**  
**Rick.Winston@rva.gov**  
**(804)646-5036**

**Wilken Fernandez**  
**Wilken.Fernandez@rva.gov**  
**(804)646-0361**



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## Freedom of Information Act Disclosure

The City of Richmond, Virginia makes a promise of confidentiality to the applicant as to confidential, proprietary records, voluntarily provided by the applicant, as provided in Virginia Code Section 2.2-3705.6(3).

Confidential, proprietary records means those records designated below:

- Business Plans
- Company Financial Statements and Tax Returns
- Personal Financial Statements and Tax Returns
- Company Financial Projections and Cash Flow Analysis
- Company and Personal Credit Reports and supporting documentation

Notwithstanding the foregoing, the undersigned understands and agrees that all information furnished in connection with this application for a Micro-Enterprise Revolving Loan involves the use of public funds and as such may be made public pursuant to the statutes of the United States of America and the Commonwealth of Virginia.

The City of Richmond, Virginia assumes no liability for any disclosure of the records or information in such records pursuant to the order of a court or other governmental authority, and the applicant hereby releases and agrees to hold harmless the City and the EDA in connection therewith.

By signing below, the applicant agrees to all of the foregoing.

Company's Name: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_

Guarantor/Co-Borrower: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_



Mayor Levar Stoney  
City of Richmond

Department of Economic Development  
1500 E. Main Street, Suite 400, Richmond, VA  
23219 Phone: (804)646-3792



City of Richmond  
Economic Development Authority

## Loan Application

### Company Information

Company name \_\_\_\_\_

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

Principal in charge \_\_\_\_\_ Work phone \_\_\_\_\_ work fax \_\_\_\_\_

Secondary contact person \_\_\_\_\_ Work phone \_\_\_\_\_ Work fax \_\_\_\_\_  
(IN-HOUSE CONTROLLER OR BOOKKEEPER)

Tax ID \_\_\_\_\_ email \_\_\_\_\_

Type of business \_\_\_\_\_ Date established \_\_\_\_\_

Type of entity (check one): ☐ Proprietorship ☐ Partnership ☐ LLC ☐ Corporation – years business incorporated \_\_\_\_\_

Number of current employees \_\_\_\_\_ Estimated number of new employees within the next two years as a result of this loan \_\_\_\_\_

### New Project Information

Street address of project \_\_\_\_\_

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

What is the square footage of the new building? \_\_\_\_\_ What is the square footage your company will occupy? \_\_\_\_\_

\*Please note – we require your company to occupy 51% of an existing building or 60% of a new building.

Projected closing date \_\_\_\_\_ Realtor's name \_\_\_\_\_ Phone \_\_\_\_\_

How will the property be vested (i.e. individually, husband and wife, partnership, LLC, corporation, trust...)? \_\_\_\_\_

If there are any tenants that will remain in the building, please provide the following information: Also, please have your realtor provide copies of all existing leases.

Tenant name	Square Footage	Lease Expiration	Rent amount

### Please provide the following documents and information

#### Business Information

<input type="checkbox"/>	Business financial statements for the last three years
<input type="checkbox"/>	Projections (form attached)
<input type="checkbox"/>	Interim financial statement dated within the last 60 days
<input type="checkbox"/>	Business debt schedule (form attached)
<input type="checkbox"/>	Federal tax returns for the last three years
<input type="checkbox"/>	Other <u>data</u>

#### Personal Information (for each individual with 20% or greater ownership)

<input checked="" type="checkbox"/>	Personal tax returns for the last three years
<input checked="" type="checkbox"/>	Personal resume (form attached)
<input type="checkbox"/>	Personal financial statement (form attached)

#### Legal entity documents (as applicable)

<input type="checkbox"/>	Sole Proprietorship – Fictitious Business Name Statement (filing) and proof of publication with county recorder's stamp
<input type="checkbox"/>	Corporation – Articles of Incorporation, Corporate ByLaws and Stock Certificates
<input type="checkbox"/>	Partnerships (General, Limited or Limited Liability) – Partnership (with all exhibits) and State Registration, if any
<input type="checkbox"/>	Limited Liability Company – Articles of Organization Form (LLC-1) and Operating Agreement
<input type="checkbox"/>	Trust – Trust Agreement with all exhibits

#### Real estate information

<input type="checkbox"/>	Real Estate Purchase Agreement
<input type="checkbox"/>	Construction cost budget and/or equipment bids
<input type="checkbox"/>	Existing environmental studies

**Total Project Costs**

	Enter Dollar Amounts		Enter Dollar Amounts
Purchase of manufacturing equipment.....	\$ _____	Purchase of rolling stock.....	\$ _____
Permanent working capital to pay staff.....	\$ _____	Purchase of software & computers.....	\$ _____
Operating expenses.....	\$ _____	Leasehold improvements .....	\$ _____
Purchase inventory & manage receivables.....	\$ _____	Government contract receivable financing.....	\$ _____
Acquisition of furniture, fixtures & equipment.....	\$ _____	<b>TOTAL PROJECT .....</b>	<b>\$ _____</b>

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**Print**

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**Signature**