



## Chisholm Development Association

### Revolving Loan Fund:

The purpose of the Chisholm Development Association Revolving Loan Fund is to provide loans to businesses looking to expand or locate in Chisholm, MN. Businesses seeking assistance shall provide benefit to the citizens and visitors of Chisholm. Funds are loaned from a 'pool' of funds created by loan repayments of past development projects. Loan interest rates are based upon a 'discounted rate' which follows the prime lending rate.

### Eligible use of loan:

- Building renovation
- Building acquisitions
- New construction
- Equipment Purchase

### Financing Criteria:

Loan amounts vary depending on project. Typical max loan amount is \$25,000 with a 5 year term and a fixed 3% interest rate, interest rate may vary. There must be acceptable collateral determined by the CEDA for each loan approved.

### Loan approval Process:

1. Complete application is received from applicant
2. CEDA staff reviews application and contacts applicant to notify of board review date
3. CEDA board members review application.
4. CEDA approves or denies application based on majority vote
5. CEDA staff notifies applicant of board decision
6. If approved, CEDA staff provides applicant with loan documentation and loan is dispersed.

### Loan Repayment:

Loan repayment will be set up with the City of Chisholm accounting department. The loan repayment will follow the amortization schedule included in the loan paperwork.

### Chisholm EDA meets the first Wednesday of the month at 8:30 am at Chisholm City Hall

All completed loan applications should be submitted to Stephanie Skraba, Chisholm City Administrator, [sskraba@ci.chisholm.mn.us](mailto:sskraba@ci.chisholm.mn.us) or 218-254-7960 or Chisholm City Hall 316 W Lake Street Chisholm, MN 55719



### Business Information:

Business Name

Business Address

Business Phone

Owner's Name

Owner's Address

Owner's Phone  Owner's Email

Federal Tax ID #  Insurance Carrier

Loan Request  Total Project Cost

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### Business and Project Description

### Please include the following with you application:

- Business Plan
- Estimate for material and labor for construction project
- Proof of good standing with state of Minnesota and city of Chisholm. Applicant will not be eligible if taxes or utilities are outstanding.

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I declare that any information in this application is true and accurate to the best of my knowledge

Signature  Date