

McPherson County

McPherson Business & Industry Uniform Loan Application

McPherson County
McPherson Chamber of Commerce
E-Community

McPherson E-Community Vision

Economic Development Vision Goal: To continue and support the collaborative business environment and provide resources to encourage entrepreneurship and expansion of existing businesses.

McPherson County E-Community Program

A partnership project of

The McPherson Chamber of Commerce
306 N. Main, P.O. Box 616
McPherson, Kansas
620.241.3303



For McPherson County

Background & Eligible Project

The McPherson County E-Community program was created through a Kansas Center for Entrepreneurship Tax Credit Program in 2010. It is a project of the McPherson Chamber of Commerce to encourage entrepreneurial activity in the communities of McPherson County.

Qualifying entrepreneurial projects may include startup businesses, as well as existing business purchases and/or expansions. Funding applications may be in the form of zero percent or a low interest loan.

The minimum loan request is \$3,000 with a \$45,000 maximum amount available per applicant business. It is anticipated that request for grants will be scrutinized closely and primarily reserved for projects that demonstrate a high likelihood of success.

E-Community Guidelines:

Who Qualifies:

- Anyone wishing to start, purchase or expand a business in McPherson County
- Will be required to be a member of the McPherson Chamber of Commerce and Main Street (if within designated boundaries)

Use of Funds:

- Purchase of business equipment, business inventory, real estate, working capital, existing inventory

Fees:

- \$50.00 non-refundable application fee

Repayment:

- To be determined
- No penalty for early repayment

Loan Funds May Not Be Used For:

- Paying off or refinancing existing debt
- Salary or owner's draw
- Payroll taxes
- Personal vehicles

Businesses That Do Not Qualify:

- Non-profit organizations
- Academic institutions
- Gambling concerns
- Floor planning concerns (i.e. wholesale auto inventory financing)
- Speculative concerns
- Lending or investment institutions
- Multilevel marketing or pyramid sales

Applicants Who are Not Eligible:

- Convicted of felony offense
- Past due on school loans
- Past due on child support payments

McPherson County E-Community Application

McPherson Chamber of Commerce
306 N. Main, P.O. Box 616
McPherson, Ks 67460
Fax: 620.241.8708
Website: www.mcphersonks.org

Jennifer Burch, Executive Director
email: Jennifer@mcphersonks.org
Phone: 620.241.3303

Applicant Information (Please Print)

1. Name of Entrepreneur or business: _____
2. What is the business organization and tax structure? Sole Proprietor, LLC, LP, S-Corp, C-Corp, LLP (Please attach official documentation).
3. Name and Title of Primary Owner: _____
4. Owner's Veteran's Status: Active Duty, Retired, Disabled, NA
5. Mailing Address: _____ Physical Address: _____
6. Phone Number: _____ Cell Number: _____
7. Fax Number: _____ Email: _____
8. Website: _____
9. Does the entrepreneur or business owner have a tax liability in arrears with the Kansas Department of Revenue or the IRS? _____
10. Business Stage: Expansion, Preventure, Start-Up, Purchase of Existing Business, Employee Purchase, Retention.

McPherson County E-Community Application

11. Please describe the project in detail and provide a breakdown of how the funds are expected to be utilized for this project (i.e. purchase building, equipment, land acquisition, inventory purchase, payoff bank loan, working capital, construction, etc) . Please include how all the funding partners, personal investment, etc will be part of the project.

12. Describe the business, its owner and key employees (detailed information should be made available in the business plan):

13. If the business reported sales last year end, please provide actual year end. If the business is new, please provide projected sales for the upcoming year end.

Current full-time employees (headcount including owner(s) on the payroll):

Current part-time employees (head count):

If applicable, Full-time jobs to be created as a result of funds (headcount):

If applicable, Part-time jobs to be created as a result of funds (headcount):

Annual Revenue: Actual or Projected Year

Annual net income/(loss): Actual or Projected Year

McPherson County E-Community Application

14. Does the primary contact and or principals have any resolved personal/business judgments, unsettled lawsuits or major disputes? _____
15. Has the business, or any principals of the business, been involved in bankruptcy or insolvency proceedings? _____
If yes, Please give date and explanation: _____

Requested Funding Information

E-Community funds are meant to bridge a gap in funding a project. The funds used as match should be disbursed simultaneously with the E-Community funds. Matching funds disbursed more than 6 months before an application must demonstrate how they remain part of the same project and why the funds are significant to the completion of the project in need of the funding.

1. Amount of funds requested: _____
2. Date Needed: _____
If your answer to question #2 requires additional information, please describe here _____

3. Amount of bank loan(s) for the project and down payment provided to obtain bank loan:
*Amount, term & interest rate: _____
(Please provide documentation – letter from bank)
Down payment: _____
*Amount, term & interest rate: _____
(Please provide documentation –letter from bank)
Down payment: _____
4. Amount of personal funds : _____

5. Other funding partners: _____

McPherson County E-Community Application

6. Please provide any additional information that has not been requested: _____

7. Describe any additional funding that will be utilized in this project. _____

8. Your Financial Institution: _____
Your Accountant: _____
9. Community organization or community leaders who have expressed support, please explain. _____

10. Please describe how you will determine success of this project/business. What is the plan for tracking success. _____

11. Describe the benefits of the project to the community and the State of Kansas (example fills need, providing tax base, workforce, etc). _____

Marketing Release of Information Declaration

The recipient of the E-Community funds, hereafter referred to as "Client" agrees to the following Marketing Release of Information* to be used by the Kansas Center for Entrepreneurship (dba NetWork Kansas) for the purpose of promoting the successful delivery of services to entrepreneurs and small business owners.

The Client agrees to provide pertinent information to NetWork Kansas for the purpose of preparing a news release for distribution to other Resource Partners and media outlets as determined by NetWork Kansas; Information for the news release will be obtained primarily from the application, corresponding documents, the Resource Partner and the Client's web sites and previously published information, and by phone interviews with representatives of both parties;

NetWork Kansas will make accommodations to withhold all information identified by the Client as being sensitive or competitive in nature, particularly when this information is not previously published. All parties named in the release will receive a final copy of the news release prior to distribution in order to verify the accuracy of all information contained therein;

NetWork Kansas will disseminate a news release and related information to external media outlets only after the funds have been disbursed to the Client;

In addition to disseminating the resulting news release to media outlets, NetWork Kansas may distribute all or part of the news release and related information to organizations, networks and individuals via Email, NetWork Kansas and third-party Web sites, blogs, instant messaging, chat rooms, message boards, etc.

Annual Progress Reports

By submitting an application for financial assistance from the E-Community fund, the Client agrees to provide annual progress reports until the loan is paid in full or the business closes. In the case of a grant, NetWork Kansas will collect information for three years after the grant is provided.

In order to track success of our program, the contact listed below will supply a report annually to update job, revenue and net income/loss information. The report will be emailed to the contact listed toward the end of the tax season and must be responded to before July 31.

Name _____

Phone: _____ Email _____

Signature of Client: _____

Printed Name and Title _____

Agreed to this agreement (month/day/year) _____

McPherson County E-Community Application Process

- (a) Applicants will be required to complete McPherson County E-Community Uniform Loan Application and return to the McPherson Chamber of Commerce Office, 306 N. Main along with their non-refundable application fee.
- (b) Applications are available on our website www.mcphersonchamber.org and the McPherson Chamber of Commerce office, 306 N. Main .
- (c) Upon receipt of an McPherson County E-Community Uniform Loan Application, the E-Community Financial Review Board will meet (on an as needed basis) to review the application.
- (d) After coordinating an application review meeting, the Financial Review Board may schedule and conduct an interview with applicant .
- (e) After reviewing the application, the Financial Review Board must approve or reject all applications with a majority vote (5 members). A formal letter of acceptance or rejection will be sent to the applicant with the contingency that funding is secured through NetWork Kansas (60%) and another partner (example –local bank, Certified Development Companies, Local Revolving Loan Funds, Main Street programs, SCKEDD, McPherson County Small Business Development, etc) (40%). Communication to the full E-Team will be made notifying them as the status of the application.
- (f) An E-Team media release will be created announcing acceptance of applicant and will include business summary, amount to be awarded, funding partners, NetWork Kansas partners assisting with project, and description of how funds will be utilized to add resources, jobs, increase tax revenue, and/or improve the quality of life in the McPherson county area.
- (g) With loan approval, the business will be required to be a member of the McPherson Chamber of Commerce for the term of the loan (if located within the boundaries of the McPherson Main Street organization membership will be required as well.)

Required Documents to Accompany Application Checklist

Be sure you have included/attached the following to your completed application

- ☐ Application Fee \$50.00
- ☐ Business Financial Statement – if applicable
- ☐ Personal Financial Statement
- ☐ Current Credit Report
- ☐ Applicant Resume
- ☐ Three Letters of References
- ☐ Business Plan **(detail information regarding project, job creation, projected income, sales and include projected growth & economic impact; quality of life impact and demonstration of community involvement)**
- ☐ Guarantee letter from Lender and or other resource partner
- ☐ Corporation documents (IRS documents indicating tax status)

The Financial Review Board will use the rubric below to score your application.

**McPherson County E-Community
Entrepreneur Program Application**

SCORING RUBRIC

Criteria	Strength (1-4)	Weight (% of total)	Weighted Score
Financial Soundness		15	
Owner/Operator Experience		10	
Business Plan		10	
Projected Growth & Economic Impact		25	
Business Development Partnerships		10	
Quality of Life Impact		10	
Owner/3 rd Party Funding		10	
Community Commitment		10	
TOTAL			

RUBRIC GUIDELINES

SCALE

4 = Exceeds expectations

3= Meets expectations

2= Partially meets expectations

1= Does not meet expectations

Glossary of Terms

Financial Soundness – This will be determined by examining applicant's financial statements

Owner/Operator Experience – This will include a review of resumes and references as well as the interview process. One resume and three references will be required with each application.

**McPherson County E-Community
Application**

Business Plan – All business plans should include key elements such as:

- Executive Summary
- Business Description
- Products or Services
- Project Financing
- Management
- Ownership
- Marketing Strategy
- Description of Major & Prospective Customers
- Description of Market & Competition
- Financial Information

Contact The McPherson County Small Business Development Association for assistance in developing your business plan, 620.241-3927.

Projected Growth & Economic Impact – This will be based on applicant's identified long-term and short-term goals and financial information.

Business Development Partnerships – We will be looking for applicant's use of NetWork Kansas partners during the planning and implementation process (i.e. working with Small Business Development Center, McPherson Main Street, the McPherson County Small Business Development Association, South Central Kansas Economic Development Division and Kansas Small Business Development Center.)

Quality of Life Impact – These questions will help determine the Quality of Life score:

- Does the business provide an unfulfilled need within the community/county?
- Does the business expand upon current business offerings?
- Does the business provide jobs for highly skilled and or educated employees?
- Will the business enrich the community with aesthetically and environmentally friendly facilities?

Owner/3rd Party Funding – This will be based on information in the applicant's financial statements.

Community Commitment – Does or will the business participate in local organizations and projects through membership, volunteerism or financial contributions?
Is applicant a member of the McPherson Chamber of Commerce and Main Street?