



Entrepreneurship Loan Application

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 Entrepreneurship 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 is provided at 2% interest, plus a \$35/month processing fee

The minimum loan request is \$3,000 and up to \$45,000 available per applicant business. Loan fund requests must have all documentation listed with the completed application. Please read all of the materials to be familiar with the process. Loan funds are limited and are 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:

- Up to 84 months
- 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 Chamber of Commerce Entrepreneurship Loan Application

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

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

Applicant Information (Please Print)

1. Name of Business: _____
2. Primary Owner: _____ DOB: _____
3. Gender: ____ Race: ____ Owner's Veteran's Status: Active Duty, Retired, Disabled, NA
4. Physical Address of business: _____
5. Mailing address: _____
6. Phone Number: _____ Cell Number: _____
7. Email: _____
8. Month /Year business started: _____
9. Website: _____
10. What type of work have you (owner) been involved in prior to starting business?

11. Do you or anyone else involved in the business listed above have a tax liability in arrears with the Kansas Department of Revenue or the IRS? _____
12. Business Stage: Expansion, Start-Up, Purchase of Existing Business, _____
13. Business organization and tax structure: Sole Proprietor, LLC, LP, S-Corp, C-Corp, LLP.
Please attach official documentation from the State of Kansas as well as minutes from annual meeting voting of officers, etc. and copy of Tax ID Number certificate.

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- 14. Please describe the project in detail and provide an itemized list of how the funds will be used for your project. (Example: purchase building \$35,000, equipment \$3,000, land acquisition, inventory, working capital, construction, etc).

Total project amount \$ _____
Less owner/s investment \$ _____

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

- 16. 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 _____

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17. Does the primary contact and or principals have any resolved personal/business judgments, unsettled lawsuits or major disputes?

18. 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 loan 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.

Example: Project total \$75,000 less \$15,000 down payment = \$60,000 to be funded

\$60,000 x .40 = \$24,000 (Bank)

\$60,000 x .60 = \$36,000 (E-Loan Funds)

19. Amount of funds requested:

20. Date Needed: _____

If your answer to #19 requires additional information, please describe here:

21. 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: _____

22. Amount of personal funds: _____

23. Other funding partners: _____

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Application**

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

25. Describe any additional funding that will be utilized in this project:

26. Your Financial Institution: _____
Your Accountant: _____

27. Community organization or community leaders who have expressed support, please explain.

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

29. Describe the benefits of the project to the community and the State of Kansas (example fills need, providing tax base, jobs, 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 received 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 Chamber of Commerce Entrepreneurship Loan Application and return to the McPherson Chamber of Commerce Office, 306 N. Main along with their non-refundable application fee and all required documentation attached.
- (b) Applications are available on our website www.mcphersonchamber.org and the McPherson Chamber of Commerce office, 306 N. Main.
- (c) Upon receipt of the loan request, the E-Loan Team will schedule a meeting to meet with applicant and review the project & request.
- (d) After reviewing the application, the E-Loan Team will approve or reject request for funds based on the rubric scoring. A formal letter of acceptance or rejection will be sent to the applicant notifying of decision.
- (e) An E-Loan 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.
- (f) 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.)

The McPherson County Small Business Development is available to assist loan applicants at no charge in preparing Business Plan, and any other necessary documentation to accompany your E-Loan application. Contact Executive Director David O'Dell at 620-480-9137.

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)
- ___ Copy of tax ID number
- ___ Applicant Tax Return

The E-Loan Team 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

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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.

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

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?