

Economic Development Loan Program

These funds are designed to link small businesses to financing solutions. We are committed to connecting eligible businesses with comprehensive financing packages including bank participation loans.

Loans are available to:

- Purchase, repair or modernize machinery or equipment
- Working capital for specifically defined purposes (inventory, insurance, etc.)
- Professional fees-legal, title search, title insurance, appraisal, accounting, etc.
- Purchase of Real Property
- Small scale construction or renovation (support structures, manufactured or metal buildings, docks, sheds. etc.)

Ineligible use of funds:

- New construction of buildings (exceptions can be made for small scale support structures, manufactured or metal buildings, docks, sheds, etc.)
- Gaming Operations
- Financial institutions or other re-lending purposes
- Refinancing of state Bridge Loans
- Payment of tax arrearages, government fines/penalties
- Political or religious activities
- Buying out any stockholder or equity holder in business
- Buying out or reimbursing any family member



- ◇ Working Capital
- ◇ Equipment/Inventory
- ◇ Real Estate
- ◇ Gap Financing

Financial Information/Bank Initiating Loan Requirements

1. Detailed list of Source and Use of loan proceeds equaling the total project
2. Bank Denial Letter** (denial may be for total or partial loan request)
3. Comprehensive Business Plan** including at least three years of revenue and expense projections
4. Financial Documentation—Business and Personal including:
 - a. Current Personal Financial Statements from principle* owners and key managers* (not over 60 days old)
 - b. Current Business Balance Sheet and Income Statements (not over 60 days old)
 - c. 3-years Business Year-End Financial Statements and Tax Returns
 - d. 3-years Personal Tax Returns (all principal* owners and key managers*)
5. Resumes of all principle* owners and key managers*
6. 1% origination fee is charged at closing

**refers to any proprietor, partner or stockholder with a 20% or more ownership interest in applicant company*

***in the event of natural and man-made disasters, denial letter requirement may be waived and modified recovery business plan accepted*

SCPDC

South Central Planning & Development Commission

Economic Development Loan Program



Local Assistance by Appointment

Call: 985-655-1051

OR

Email: businessloans@scpd.org

**South Central Planning and
Development Commission, Inc.**

Physical: 5058 W Main St, Houma, LA

Mailing: PO Box 1870, Gray, LA 70359

Financing for small businesses isn't always easy to obtain. Traditional financing resources may find it difficult to meet individual business development needs. The Bayou-River Region Loan Program is a finance program operated by SCPDC and is specifically created to fill the gaps in financing not provided by conventional means such as direct loans or those initiated by local banks. The program offers a fixed rate that is substantially lower than available commercial rates.

Loans from \$10,000 to \$250,000*

Our staff can help businesses identify other appropriate federal, state and local financing programs to help meet their financing needs. We also offer referrals to rapidly expanding networks of management, product and process development, and marketing assistance resources.

If you or one of your customers is an established business with plans to expand operations, our loan program may be able to offer solutions to the business financing challenges.

Our Commitment

- To assist existing businesses wishing to expand operations.
- To aid businesses wishing to locate in one of the participating parishes.
- To connect eligible businesses with comprehensive financing packages.



To qualify for this program a business must be:

- For-profit; Non-profit
- A corporation, partnership, or sole proprietorship
- Located in one of the participating parishes
- The program is primarily for existing businesses, but we will consider new businesses being started by proven entrepreneurs with job creation potential.

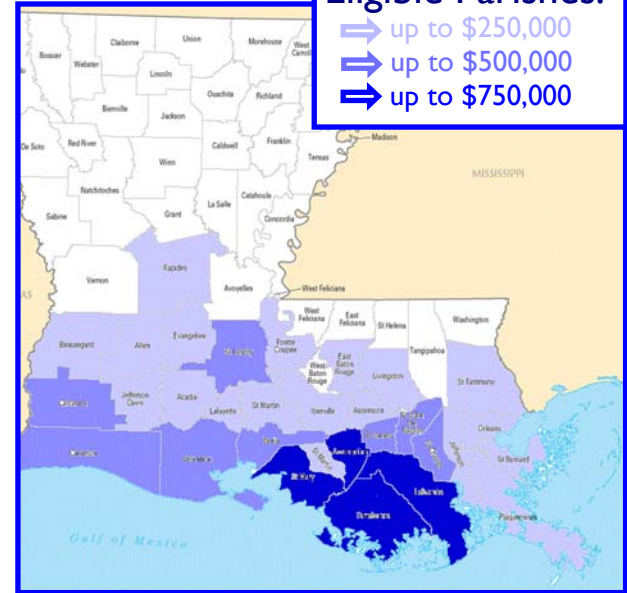


Typical loan participation packages

- **Independent**—Where a borrower has been refused by a local bank and seeks 90% financing for the business project.
- **Participation**—Where a borrower's bank is only able to partially fund the project due to equity/collateral requirements. The loan program can provide funding to offset collateral shortages and use of funds purposes (working capital, etc.) and make the loan risk acceptable to the bank.
- **Complimentary**—Where a borrower does not have enough equity to satisfy bank requirements. The loan program can bridge the gap providing a portion of the funding to supplement the borrower's funds and make the loan risk acceptable by the bank.

Eligible Parishes:

- ⇒ up to \$250,000
- ⇒ up to \$500,000
- ⇒ up to \$750,000



Our purpose is to assist in the retention and creation of jobs, as well as strengthen and diversify the local economy. The low interest rate and less stringent debt ratio provide us the flexibility to assist small business and accomplish these goals.

*Businesses may qualify for the following amounts based on availability of funds and location of business:

up to \$250,000

Acadia	Iberville	Plaquemines
Allen	Jefferson	Pointe Coupee
Ascension	Jefferson Davis	Rapides
Beauregard	Lafayette	St Bernard
East Baton Rouge	Livingston	St Martin
Evangeline	Orleans	St Tammany

up to \$500,000

Calcasieu	St Charles	St Landry
Cameron	St James	Vermillion
Iberia	St John	

up to \$750,000

Assumption	St Mary	Terrebonne
Lafourche		