## Small Business Development Loan Program

### Fact Sheet

<table>
<thead>
<tr>
<th>Service Area</th>
<th>City of Daytona Beach Enterprise Zone Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Amount</td>
<td>$15,000.00 maximum</td>
</tr>
<tr>
<td>Loan Access</td>
<td>Direct Loan</td>
</tr>
<tr>
<td>Use of Funds</td>
<td>Business assets purchase, working capital.</td>
</tr>
<tr>
<td>Eligible Borrower</td>
<td>Business owned &amp; operated in the Enterprise Zone area and resident of the Enterprise Zone. Loan proceeds must benefit the Enterprise Zone.</td>
</tr>
<tr>
<td>Ineligible Use of Funds</td>
<td>Not-for-Profit, religious organizations, adult entertainment, Bars or Lounges or business deriving more than 10% of revenue from sale of alcoholic beverages.</td>
</tr>
<tr>
<td>Repayment Terms</td>
<td>Negotiated, not to exceed 36 months, monthly installments (P &amp; I)</td>
</tr>
<tr>
<td>Interest Rate</td>
<td>Determined in relation to applicable Certificate of Deposit rate</td>
</tr>
<tr>
<td>Collateral</td>
<td>Business and/or personal assets; personal guarantees, cross collateralization</td>
</tr>
<tr>
<td>Borrower’s Equity</td>
<td>10% at a minimum</td>
</tr>
<tr>
<td>Application Fee</td>
<td>$50.00 non-refundable. Paid at Utility Billing.</td>
</tr>
<tr>
<td>Commitment Fee</td>
<td>None</td>
</tr>
</tbody>
</table>

For further information, you may call (386) 671-8053.
Small Business Development Loan (SBDL) Program II

The City of Daytona Beach Enterprise Zone is designated by the State of Florida as an area targeted for economic revitalization. The purpose of the Small Business Development Loan Program is to promote economic revitalization through increased business retention and expansion of small businesses located in the Enterprise Zone (see attached map) and targeted neighborhoods.

**PROGRAM CRITERIA**

1. The maximum loan amount to any one borrower will not exceed $15,000.00. Applicant must contribute in accordance with the borrowers participation schedule below:

<table>
<thead>
<tr>
<th>Amount</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>$250</td>
</tr>
<tr>
<td>$5001</td>
<td>$500</td>
</tr>
<tr>
<td>$10,001</td>
<td>$750</td>
</tr>
</tbody>
</table>

   Other types of requests may be considered.

2. The term of any one loan shall be from 12 months to 36 months. Monthly payments of principal and interest would be due and payable on the due date, calculated to amortize the amount of the loan over the full term. There is no penalty for early repayment.

3. A $50.00 non-refundable fee will be charged to submit the completed (SBDL) application packet. This fee shall not be financed and should be made payable to the *City of Daytona Beach* in the Utility Billing office, first floor, with appropriate account information.
4. Borrower will be required to furnish proof of insurance (fire, theft, etc.) in a dollar amount equal to the value of the equipment, property, materials or other financed with City of Daytona Beach funds, and have the City designated as loss payee.

In addition, insurance will indemnify the City from any and all liability costs.

5. Borrower must submit an appropriate Business Plan, and show revenue projections to establish reasonable cash flow and meet debt service including repayment to the City.

6. Loan funds are limited, therefore, all loan requests will not be granted, and may not be granted in the amount requested.

**ELIGIBILITY REQUIREMENTS**

1. Individuals and/or business groups, property owners or tenants (with the property owners approval) who have successfully completed the City’s Economic Services Training Program administered through Mid Florida Housing Partnership, Inc. Alternate programs of study may be approved by the City.

2. The small business must be located within the boundaries of the City of Daytona Beach Enterprise Zone or the business owner must be a resident of the Enterprise Zone. Loans must benefit the Enterprise Zone.

3. In business for a minimum of one (1) year. If in business less than one year:
   a. Must have significant experience within the same industry
   b. Must have prior management experience in the following key areas or obtain technical assistance in those areas where not experienced:
      - General management
      - Sales management
      - Financial Management
      - Operational Management
   c. Must have a viable secondary source of repayment
   d. Must have minimum equity contribution equal to or exceeding the loan amount requested.

4. Must have a clean personal credit with major derogatory reports subject to satisfactory written explanations by borrower. Credit reports reflecting unpaid tax liens or unpaid judgments will be considered as unacceptable credit risks. Bankruptcy is generally not acceptable, but will be reviewed on a case by case basis.

5. Acceptable collateral can include marketable equipment. The City of Daytona Beach will lend up to a maximum of 85% of cost if new or 85% of appraised value if used. Appraise must be acceptable to City of Daytona Beach.
PROCEDURE

1. Submit the completed application package to the Central Florida Community Development Corporation, 847 Orange Avenue, Daytona Beach Florida or Covington & Associates, 543 Orange Avenue, Daytona Beach, Florida.

2. Upon notification by Central Florida Community Development Corporation or Covington and Associates the applicant will meet and present the request to The City of Daytona Beach – Community Development Department Internal Review Committee or the Enterprise Zone Development Agency Committee for conditional approval.

3. All projects awarded under this program must be initiated and completed within ninety (90) days after receiving written approval of the loan and city permits (if applicable).

   All work must meet City Building Codes and applicants are responsible for obtaining all permits before beginning any work! All proposed renovations must be approved before beginning any work.

4. One the work is completed and paid for, submit to Central Florida Community Development Corporation or Covington & Associates a copy of all receipts and/or cancelled checks as proof of all materials, purchases and contracted improvements have been paid and all work conforms to the project that was proposed.

5. Description of how use of the loan funds will benefit the Enterprise Zone.
Case Submittal Procedure

I. Time Allocation for Loan Approval
   A. Complete loan request packages must be submitted at least 14 days prior to the Friday of the anticipated closing date.
   B. All files will be approved in the order received by an Internal Review Committee or the Enterprise Zone Development Agency Board.

II. File Order (six sections)
   A. Business and applicant’s name on the outside of the folder.
   B. Front left – Processing documentation e.g., HUD forms, initial application packet, tax returns, check stubs, etc.
   C. Front right – Business plan
   D. Second Left – Communications with and to applicant, e.g., approval letter
   E. Second Right – Promissory Note
   F. Third left – cancelled checks, copies of receipts as proof that all materials, purchases, and contracted improvements have been paid.
   G. Third right – repayment history.

III. Conditional Approval
   A. Upon notification from the Community Development Department Office, the nonprofit will advise the borrower to attend the designated EZ Development Agency Board meeting with their non-profit representative, to present their loan request.

IV. Closing/Collection – SunTrust Bank
The following documents are required for a completed evaluation of your loan request. Submission of a complete application with documentation will aid in the timely processing of your request. Please write N/A (not applicable) next to those items that are not pertinent.

Please mark (x) if attached

1. Preliminary Application (for each individual owning 10% or more of the business).  
2. Release  
3. Questionnaire  
4. Right to Financial Privacy Act Form  
5. Personal Financial Statement (for each individual owning 10% or more of the business)  
6. $50.00 non-refundable application fee  
7. Business Plan  
8. Also include:  
   FOR THE BUSINESS  
   a. Bank and Bank Account Number  
   b. Previous 3 years Financial Statements (Balance Sheet and Income Statement)  
   c. Current Financial Statement (Balance Sheet and Income Statement)  
   d. Previous 3 year Income Tax Returns  
   e. 5-year cash flow projections (the first two years in a monthly basis, then annually for the last three years)  
   FOR THE OWNERS, PARTNERS, PRINCIPALS  
   a. Personal Financial Statements, less than 90 days old  
   b. Previous 3 years Income Tax Return (a complete copy)  
   RECORDS/DOCUMENTS  
   a. Certification of completion of the Mid-Florida Housing Partnership Economic Services Business Training Program  
   b. Occupations License(s)  
   c. If a partnership, the partnership agreement
d. If a corporation, please submit
   1. Names of Principals
   2. Stock ownership and percentage
   3. Certificate of Incorporation
   4. Copy of stocks issued
   5. Articles of Incorporation
   6. Certificate of Good Standing (Current)

e. Insurance Information
   1. Business
   2. Personal
   3. Indemnification for the City, as applicable

f. Professional Service Providers listings
   1. Accountant- names, addresses & telephone no.
   2. Attorney – name, address & telephone no.
   3. Others-name, address & telephone no.
1. **Personal Information**

Name: ____________________________ Phone: ____________________________

Address:

City: ___________________ State: _______ Zip Code: _______ Social Security Number: _______

2. **Business Information**

Name: ____________________________ Phone: ____________________________

Address:

City: ___________________ State: _______ Zip Code: _______ Social Security Number: _______

Type of Business: Check one

____ Corporation  ___Partnership  ____Sole Proprietorship

Number of years of experience in this type of business: where?

3. **Loan Request**

Describe Project:

Describe the use and amount of funds requested:

<table>
<thead>
<tr>
<th>Use</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

Total Amount Request: $ __________

4. **Applicant’s Attestation**

I attest that the business is located in the Enterprise Zone and/or I am a resident of the City of Daytona Beach. Also, I attest to the fact that I am low income or that I will employ low income person from the Enterprise Zone area or from the targeted neighborhoods of the City of Daytona Beach.

Signature: ____________________________ Date: ____________________________
Complete this form if 1) a sole proprietorship by the proprietor 2) a partnership by each partner 3) a corporation by each officer and each stockholder with 20% or more ownership; 4) any other person or entity providing a guaranty on the loan.

Name

Residence Address

City, State & Zip

Business Name of Applicant/Borrower

<table>
<thead>
<tr>
<th>Assets</th>
<th>Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on Hand &amp; in Banks $</td>
<td>Note Payable (to bank &amp; others) $</td>
</tr>
<tr>
<td>Savings Accounts</td>
<td>Accounts &amp; Bills Due</td>
</tr>
<tr>
<td>IRA</td>
<td>Mortgages on Real Estate</td>
</tr>
<tr>
<td>Accounts &amp; Notes Receivable (Describe in Section 6)</td>
<td>Unpaid Income Tax (Describe in Section 8)</td>
</tr>
<tr>
<td>Life Insurance – Cash Surrender Value Only (Describe in Section 10)</td>
<td>Other Debts (Describe in Section 9)</td>
</tr>
<tr>
<td>Stocks and Bonds (Describe in Section 4)</td>
<td></td>
</tr>
<tr>
<td>Real Estate (Describe in Section 5)</td>
<td></td>
</tr>
<tr>
<td>Automobile – Present Value</td>
<td></td>
</tr>
<tr>
<td>Other Personal Property (Describe in Section 6)</td>
<td></td>
</tr>
<tr>
<td>Other Assets (Describe in Section 7)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Liabilities (Total) $</td>
</tr>
</tbody>
</table>

**Section 1. Source of Income**

<table>
<thead>
<tr>
<th>Source of Income</th>
<th>Contingent Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>As Endorser or Co-Maker</td>
</tr>
<tr>
<td>Net Income Investment</td>
<td>Legal Claims and Judgments</td>
</tr>
<tr>
<td>Real Estate Income</td>
<td>Provision for Fed Income Tax</td>
</tr>
<tr>
<td>Other Income (Describe)</td>
<td>Other Special Debt</td>
</tr>
</tbody>
</table>
### Description of items listed in Section 1

*Alimony or Child support payments need not be disclosed in “Other Income” unless it is desired to have such payments counted towards total income.*

### Section 2. Notes payable to Banks and Others (Use separate sheet if necessary)

<table>
<thead>
<tr>
<th>Name and address of Noteholder</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>Amount (Monthly)(If any)</th>
<th>Collateral &amp; Type of Ownership</th>
</tr>
</thead>
</table>

### Section 3. Accounts and Bills Due (Use separate sheet if necessary)

<table>
<thead>
<tr>
<th>Name and address of Accounts</th>
<th>Account Number</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>Payment Terms</th>
<th>Terms (Monthly -etc.)</th>
</tr>
</thead>
</table>

### Section 4. Stocks and Bonds (Use separate sheet in necessary)

<table>
<thead>
<tr>
<th>Number of shares Or Face Value (Bonds)</th>
<th>Names of Securities</th>
<th>In Name Of</th>
<th>Are these Pledged?</th>
<th>Market Value</th>
</tr>
</thead>
</table>

### Section 5. Real Estate Owned (List each parcel separately. Use supplemental sheets if necessary. Each sheet must be identified as a supplement to this statement and signed).

<table>
<thead>
<tr>
<th>Address-Type of Property</th>
<th>Mortgagor Date Purchased</th>
<th>Original Cost</th>
<th>Present Value</th>
<th>Mortgage Balance</th>
<th>Monthly Payment</th>
</tr>
</thead>
</table>

### Section 6. Other personal property (Describe, and if any is mortgages, state, name and address of mortgage holder and amount of mortgage, terms of payment, and of delinquent, describe delinquency)

### Section 7. Other Assets, Notes and Accounts Receivable (Describe)

### Section 8. Unpaid Taxes. (Describe in detail, as to type, to whom payable, when due, amount, and what, if any property the tax lien attached).

### Section 9. Other Debts (Describe)
Section 10. Life Insurance Held (Give face amount of policies – name of company and beneficiaries)

Section 11. Cash in Banks
Name of Institution  Account Number  Type of ownership  Amount of Deposit

Section 12. Funds Usage-Description of how use of loan funds will benefit the Enterprise Zone area.

Central Florida Community Development Corporation or Covington and Associates and the City of Daytona Beach-Community Development Department/lender is authorized to make all inquiries deemed necessary to verify the accuracy of the statements made herein and to determine my/our credit worthiness. (I) or (We) certify the about and the statements contained in the schedules herein are a true and accurate statement of (my) or (our) financial condition as of the date stated herein. This statement is given for the purpose of
Check one of the following:

____ Inducing the City of Daytona Beach-Community Development Department to grant a loan as requested in the application to the business whose name appears herein.

____ Furnishing as statement of (my) or (our) financial condition, pursuant to the terms of the guaranty executed by (me) or (us) at the same time City of Daytona Beach – Community Development Department to grant a loan to the business whose name appears herein.

Signature       Signature

Social Security Number  Date of Birth  Social Security Number  Date of Birth

Date Signed      Date Signed
I understand the loan application procedure qualifications, and time constraints set forth. I understand that completing the loan application does not guarantee receiving a loan.

I authorize the Central Florida Community Development Corporation or Covington and Associates and the City of Daytona Beach-Community Development Department to inquire into any and all business and personal records related to:

I agree to indemnify and hold harmless the City of Daytona Beach-Community Development Department, its members, offices, employees and agents and hereby release same from any and all claims, judgments suits at law or any other actions be it derivative or direct which may arise out of the above mentioned inquiries or which may arise out of the above mentioned inquires or which may arise out of technical assistance provided by the City of Daytona Beach-Community Development Department to any successful or unsuccessful loan applicant.

Signature of Loan Applicant                          Date
________________________________________________  ______________________________

Signature of Loan Applicant                          Date
________________________________________________  ______________________________
1. Personal Information

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Business Information

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Type of Business: Check one

- [ ] Corporation
- [ ] Partnership
- [ ] Sole Proprietorship

Number of years experience in this type of business: where?
3. Loan Request

Describe Project:


Describe the use and amount of funds requested:

<table>
<thead>
<tr>
<th>Use</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

Total Amount Requested: $ 

4. Applicant’s Attestation

I attest that the business is located in the Enterprise Zone or a Targeted neighborhood of the City of Daytona Beach. Also, I attest to the fact that I am low income_____ or that I will employ low-income persons(s) from the Enterprise Zone areas or from the targeted neighborhoods of the City of Daytona Beach____

Signature: ___________________________  Date: ___________________________
SMALL BUSINESS DEVELOPMENT LOAN PROGRAM II

QUESTIONNAIRE

Be sure to answer the next 12 questions correctly. The fact that you have an arrest or conviction record will not necessarily disqualify you. An incorrect answer will cause your qualification to be turned down. If you answer yes, furnish details (on a separate sheet of paper) including name under which it occurred.

1. Are you presently under indictment, on parole or probation
   _________yes  ____________no

2. Have you ever been charged with or arrested for any criminal offense other than a minor motor vehicle violation?
   _________yes  ____________no

3. Have you ever been convicted or any criminal offense other than a minor motor vehicle violation?
   _________yes  ____________no

4. Do you have any pending judgments against you?
   _________yes  ____________no

5. Have you ever filed bankruptcy?
   _________yes  ____________no

6. Have you any past or pending lawsuits?
   _________yes  ____________no

7. Do you own IRS back taxes?
   _________yes  ____________no

8. Is there a lien against your business, or you personally?
   _________yes  ____________no

9. Does the business have a pending judgment?
   _________yes  ____________no

10. Does the business owe back taxes?
    _________yes  ____________no

11. Has the business any pending lawsuits?
    _________yes  ____________no

12. Have you ever had a loan provided by The City of Daytona Beach? Explain
    _________yes  ____________no

_________________________________________   __________________________
Applicants Signature      Date
RIGHT TO FINANCIAL PRIVACY ACT
SMALL BUSINESS DEVELOPMENT LOAN PROGRAM II

This is a notice to you as required by the RIGHT TO FINANCIAL PRIVACY ACT of 1978 that Central Florida Community Development Corporation or Covington & Associates and the City of Daytona Beach-Community Development Department has a right to access financial records held by any financial institution in connection with the consideration or administration of the SMALL BUSINESS DEVELOPMENT LOAN for which you have applied. Financial records involving your transaction will be available to Central Florida Community Development Corporation or Covington & Associates and the City of Daytona Beach-Development Services Department without further notice or authorization but will not be disclosed or released to another Agency without your consent, except as required or permitted by law.

18 USCS 1001

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals, or covers up any trick, scheme, or device a material fact, or makes any false, or fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisonment not more than five years, or both. (June 25, 1948, ch. 645-1.62 Stat 749)

I hereby certify that the foregoing information submitted in support of my application for a Small Business Development loan is true and complete to the best of my knowledge and belief. I further certify that the penalties under USCS Title 18, Section 1001, for false and fraudulent statement(s) (see above) has been explained to me. I acknowledge receipt of the Financial Privacy Act. I hereby waive all claims against the City of Daytona Beach and its personnel in connection with the assistance hereby requested.

_______________________________________________   _____________________________________
Applicant’s Signature       Date

_______________________________________________   _____________________________________
Applicant’s Signature       Date

STATE OF FLORIDA
COUNTY OF VOLUSIA

Subscribed and Sworn before me this _________________ day of _____________________ 20____

Notary Public _________________________________

My Commission Expires:_________________________

NOTICE: THIS APPLICANT UNDERSTANDS THAT COMPLETION OF THIS SMALL BUSINESS DEVELOPMENT LOAN APPLICATION DOES NOT GUARANTEE ASSISTANCE FROM THIS PROGRAM.
REQUEST FOR CREDIT INFORMATION

NAME: ___________________________        ACCOUNT #: ___________________________

ADDRESS: ___________________________       _______________________
___________________________       _______________________
___________________________    TYPE ACCOUNT___________________________

To Whom It May Concern:

I/We, hereby, authorize you to release the requested information to _________________________________________
And the City of Daytona Beach-Community Development Department in connection with my/our Small Business
Development loan file.

______________________________________________  _________________________________________________
Signature of Applicant     Signature of Applicant

Return to Central Florida Community Development Corporation, 847 Orange Avenue, Daytona Beach Florida 32114
Return to Covington & Associates, 543 Orange Avenue, Daytona Beach, Florida 32114

CREDIT INFORMATION:

Date Account Opened_____________________________   Present Balance_________________________________
High Balance____________________________________   Low Balance___________________________________
Number of Overdrafts in last 6 months________________   Number of NSF in last 6 months____________________
Present Balance__________________________________   Present Balance_______________________________

Date:__________________________________________   ______________________________________________
Authorized Signature

Print Name and Title
TO:        DATE:

RE: Request for Credit Information

NAME: ___________________________ ACCOUNT #: _______________________

ADDRESS: ___________________________ _______________________

_________________________________________ _______________________

___________________________ TYPE ACCOUNT______________________

To Whom It May Concern:

I/We, hereby, authorize you to release the requested information to _________________________________________

And the City of Daytona Beach-Community Development Department in connection with my/our Small Business
Development loan file.

______________________________________________  _________________________________________________
Signature of Applicant     Signature of Applicant

_______ Return to Central Florida Community Development Corporation, 847 Orange Avenue, Daytona Beach Florida 32114
_______ Return to Covington & Associates, 543 Orange Avenue, Daytona Beach, Florida 32114

CREDIT INFORMATION:

Date Account Opened_____________________________________ Term of Sale____________________________________

Highest Credit___________________________________________ Monthly Payment________________________________

Manner of Payment ________________ Satisfactory _____________Unsatisfactory

Present Balance__________________________________

Date:___________________________________________________ ______________________________

Authorized Signature

______________________________________________
Print Name and Title
RE: Release Information

NAME: ___________________________________

ADDRESS: ___________________________________

To Whom It May Concern:

I/We, hereby authorize you to release the requested information to Sun Trust Bank and the City of Daytona Beach Community Development Department in connection with my/our Small Business Development Loan file. I understand Sun Trust Bank will provide collection and monitoring of this loan for the City of Daytona Beach.

X_________________________________________  X_________________________________________
Signature of Applicant                               Signature of Applicant

___ Return to Central Florida Community Development Corporation, 847 Orange Avenue, Daytona Beach, Florida 32114

___ Return to Covington & Associates, 543 Orange Avenue, Daytona Beach, Florida 32114