

# RAPID FUND



**ELEVATE**

*Elevate the Rapid City region for everyone*



[elevaterapidcity.com](http://elevaterapidcity.com)

**The Rapid Fund has the flexibility to assist businesses with a variety of needs. It funds the financing gap between what a business needs to expand and what the business has secured through its lender or other sources. The Rapid Fund may also be used to guarantee a loan.**

**POLICIES:**

- The Rapid Fund may make loans and loan guarantees in the Rapid City area.
- Fixed assets, equipment, inventory, leasehold improvements, building construction and/or renovation, and working capital are eligible activities.
- Security may be in the form of subordinated liens. Personal guarantees are required.
- Special and additional loan conditions may be required as Elevate Rapid City sees appropriate.
- In cases of natural disaster or emergencies, and as recommended by the CEO of Elevate Rapid City, the fund may waive its policies and guidelines to respond to the needs of the community and its businesses.

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**For assistance completing this application or for more information contact:**

Matt Brunner // 605-716-0004 // [matt.brunner@elevaterapidcity.com](mailto:matt.brunner@elevaterapidcity.com)

**GUIDELINES:**

- Minimum dollar participation by the applicant shall be 10%. The Rapid Fund loan dollar participation should not exceed 40% of the total eligible project cost.
- The minimum lending rate shall be 50% of the prime lending rate or 3.25%, whichever is greater.
- In the case of loan guarantees, the Rapid Fund shall guarantee no more than 15% of a loan.
- Elevate Rapid City shall set repayment and interest rates as appropriate for the project under consideration based on assessment of risk and economic impact to the community.

**Lending guidelines:**

- Loans on machinery and equipment - not to exceed life expectancy of the equipment, or a maximum of 10 years amortization with a five-year balloon.
- Loans on land and buildings - not to exceed 25 years amortization with a seven-year balloon.
- Loans on working capital and inventory - not to exceed three years amortization with a one-year balloon.
- Normally, at least one job is to be created for each \$5,000 - \$10,000 loaned. This requirement may be waived by the Rapid Fund & Loan Committee at the recommendation of the CEO of Elevate Rapid City.

**PREFERENCES:**

- Create new, quality job opportunities as a result of business start-up, business expansion, or business relocation from outside Rapid City and its platting jurisdiction. A quality job is defined as long-term with above average wages, fringe benefits, and working conditions for its specific job category.
- Create capital investment.
- Diversify the local economy.
- Does not create a competitive advantage for one business over another within a common market. Direct competition with existing local businesses for local sales or services will be reviewed by the Loan Committee.
- Develop industries such as manufacturing, fabrication, processing, select service industries, and regional wholesale businesses.
- Meet the goals and objectives of developing technology-based economic development.

Copies of all items marked below must be submitted before final action can be taken on your loan request.

- Application

### **BUSINESS FINANCIAL DATA**

*(necessary to make loan recommendation)*

- Business Plan
- Balance Sheet, Income Statements, and Cash Flow Statement of business for the past three years
- Projected Balance Sheet, Income Statement, and Cash Flow Statement for the next three years
- Business tax returns for the past three years
- Personal tax returns of principal owners (over 20%) for the past three years
- Personal Financial Statement(s) of the principal owner(s) (over 20%), current and signed
- Cost estimates on real estate, construction and equipment purchases
- Preliminary building plans and specifications
- Lease Agreement
- Summary of Collateral
- Collateral Position(s) of all lenders identified in the application
- Bank Commitment Letter and/or letter identifying other funding sources
- Verification of corporation status

### **SUPPORTING DOCUMENTS**

*(necessary to process loan)*

- Articles of Incorporation/By-Laws, if corporation
- Partnership Agreement, if partnership
- Franchise Agreement
- Certificate of Good Standing
- Purchase Agreement
- Buy-Out Arrangement
- Project or real estate appraisal
- Proof of Insurance on business/premises
- Site map or photo of the project

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# RAPID FUND APPLICATION

Please type or print clearly. Be sure to fill in each blank and answer each question. If not applicable, mark N/A and explain. If there is not enough room, attach additional sheets. Financial data and supplemental information as noted on the Applicant Checklist is required prior to loan review.

Applicant Name(s): \_\_\_\_\_

Business Name: \_\_\_\_\_

Business Address: \_\_\_\_\_ City: \_\_\_\_\_ State & Zip: \_\_\_\_\_

Business Mailing Address: \_\_\_\_\_

Personal Residence Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Date Business Established: \_\_\_\_\_

Employer's Identification Number: \_\_\_\_\_ Owner Social Security No. \_\_\_\_\_

Amount Requested: \_\_\_\_\_ Purpose: \_\_\_\_\_

Collateral Offered: \_\_\_\_\_

### 1. DESCRIBE YOUR BUSINESS:

*Legal structure, ownership, primary business activity, management experience and any subsidiaries, divisions of major outside investment by company or owners. Attach additional pages as necessary.*

### 2. DESCRIBE THE PROPOSED PROJECT:

*Include previous experience that supports successful achievement. Attach additional pages as necessary.*

### 3. SOURCES AND USES OF FUNDS

Proposed Sources of Funds	_____
Amount applied for from the Rapid Fund	_____
Amount applied for from Bank	_____
Amount applied for from regional/local loan funds	_____
Amount applied for from other	_____
Owner's Equity (existing equity)	_____
<b>TOTAL SOURCE OF FUNDS</b>	_____



# RAPID FUND APPLICATION

**Proposed Uses of Funds** *(include all costs associated with project).*

- Land \_\_\_\_\_
- Land Improvements \_\_\_\_\_
- Building \_\_\_\_\_
- Remodeling \_\_\_\_\_
- New Construction \_\_\_\_\_
- Machinery & Equipment (attach list and cost) \_\_\_\_\_
- Furniture & Fixtures (attach list and cost) \_\_\_\_\_
- Working Capital \_\_\_\_\_
- Inventory \_\_\_\_\_
- Accounts Receivable \_\_\_\_\_
- Other ( ) \_\_\_\_\_
- TOTAL USES OF FUNDS** \_\_\_\_\_

Please specify the source of the borrower's equity injection:

**4. PARTICIPATING, SERVICING OR SPONSORING LENDER:** *(if more than one continue on back).*

Lender Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Business Account Number: \_\_\_\_\_  
 Amount of Loan requested for this project: \_\_\_\_\_  
 Term: \_\_\_\_\_ Interest Rate: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_  
 Participating Lending Comments:

*The Primary objective of the Fund is to assist projects that contribute to job retention and/or creation, improve infrastructure and address unmet needs in Rapid City resulting in the creation of new wealth. In this objective, the Fund participates with financial institutions and other lenders to maximize the available capital for development projects. The Fund may require that the applicant have a commitment from a lender prior to applying for funds. Approval of a loan may be contingent upon this agreement.*

**5. CURRENT EMPLOYMENT INFORMATION** *(Do not include owners)*

	Full Time	Part Time
Present Number Of Employees	_____	_____
Present Total Annual Payroll	_____	_____

**6. JOBS CREATED AS A RESULT OF THE LOAN**

*(Do not include owners unless start-up company and owners are to be principally engaged in daily business activity)*

	Full Time	Part Time
Present Number Of Employees	_____	_____
Number Of Jobs To Be Created	_____	_____
Date By Which Jobs Will Be Established	_____	_____
Projected Total Annual Payroll	_____	_____

**TOTAL NUMBER OF EMPLOYEES IN VARIOUS JOB CATEGORIES**

	Present	Projected		Present	Projected
Managers	_____	_____	Office	_____	_____
Professional	_____	_____	Production	_____	_____
Sales	_____	_____	Other	_____	_____

