

**Initial Project Assessment
for ARC Revolving Loan Fund (ARC RLF)**

Office of Economic Development
Georgia Department of Community Affairs

Thank you for your interest in the ARC Revolving Loan Fund (ARC RLF) of the Georgia Department of Community Affairs. Attached, please find an Initial Project Assessment (IPA) that contains several questions regarding your proposed project. Your answers to these questions will help us determine whether your project is eligible for ARC RLF funding. A DCA employee will be available to assist you in completing these questions.

Please be advised that your completion of **this IPA does not constitute submission of an ARC RLF application and is not a commitment to fund or a notification of loan commitment**, or notification that any proposed activities are eligible for ARC RLF financing. Simply, DCA needs certain information about your project before it can provide advice about the project's eligibility and competitiveness for funding.

Each ARC RLF application must stand on its own merit and be approved by the ARC RLF loan committee and the commissioner of community affairs to be funded. **Any group or individual that secures financing and moves ahead with any portion of the project should do so under the full realization that ARC RLF funding is not guaranteed** until a loan commitment has been executed by DCA. **Note that beginning the project before review by our office may make the project ineligible for funding. This can include such actions as beginning construction, acquiring property, and closing interim or permanent loans.**

In addition, please note that the Davis-Bacon Act may apply to your project. This federal law requires that contractors on federally funded construction projects pay their employees, while working on those federal projects, at least the areas' prevailing wages for the various construction trades. Once a site is selected for this project, further Davis-Bacon information regarding prevailing wages can be provided to you. **Do not begin any construction activities until you have a good understanding of the Davis-Bacon Act requirements.** Other federal laws may apply as well.

1. Project Description

Describe your project. Provide sufficient detail for a clear understanding of the entire project, including a general description of the business. Please indicate: what activities the ARC RLF proceeds will be used for; where the project will take place; and the status of the project and its implementation schedule.

2. Sources and Uses

Indicate the amount of ARC RLF financing requested and show how the proposed sources and uses will be allocated. Show the sources and the related dollar amounts. Also show the purpose(s) for which the funds will be used, and in what amounts. Be sure to identify the amount of equity in the project. **Note that the ARC RLF can only fund up to \$200,000 or 50% of project costs, whichever is less, and that there must be at least a 5% equity injection.**

SOURCES AND USES STATEMENT

USE OF FUNDS		SOURCE OF FUNDS				
Use	Amount	Lender/ Equity Investor	If Applicable			Amount
			Term	Est. Rate	Annual Debt Service	
Land	\$					
Building Construction	\$					
Rehabilitation						
Furniture, Fixtures & Equipment	\$					
Working Capital	\$					
Infrastructure	\$					
Other	\$					
TOTAL COSTS =	\$	Total Sources =				\$

USES MUST EQUAL SOURCES

3. Institutional Arrangements

Describe the principal parties in your deal and how funds will flow to the project. For example:

- Who will provide the equity?
- Who will provide the permanent financing, other than ARC RLF?
- Is interim financing needed? Who will provide the interim financing?
- Is the ARC RLF needed to provide interim financing?
- Who will own the assets upon completion?

4. Repayment Schedule

If possible, please indicate your preferred *interest rate and term*.

5. Collateral

The ARC RLF program requires that all loans be collateralized. Describe the collateral for the ARC RLF loan, and, if applicable, the proposed collateral for other project debt. Examples of collateral might be:

- A first or second lien on real property;
- A first lien on machinery or equipment; or
- The pledge of marketable securities.

6. Time Table and Stages

Indicate your estimated project *timetable*, and at what *stage(s)* you will need ARC RLF financing.

7. Eligible Activity

Indicate *each* eligible ARC RLF activity you will be assisting or undertaking.

8. Public Benefit Standards

If your project is an *eligible* economic development activity, it must provide a certain level of *public benefit*. For example, job creation or retention, meeting downtown development needs, meeting historic preservation needs, etc. Also, **the ARC RLF does require that at least one new job be created for every \$20,000 of ARC RLF dollars loaned.**

Therefore, indicate how your project will benefit the area in which it is located and the number of jobs that will be created or saved in the next three years.

9. Credit Information

Provide the following preliminary information to allow DCA to begin the loan underwriting process:

- A personal financial statement on anyone who owns 20% or more of the business. (A form is available upon request.)

- The last three years of complete business and personal tax returns for anyone who owns 20% or more of the business.
- A business plan if the business project involves the startup of new business.

10. Who May We Contact

In order for DCA to contact you directly, please provide the following:

- Name and title of contact person
- Street mailing address (NO P.O. BOXES PLEASE)
- Phone number
- Fax number
- E-mail address

Open Records Statute:

Georgia Law requires that “All public records of an agency as defined in subsection (a) of this Code section, except those which by order of a court of this state or by law are prohibited or specifically exempted from being open to inspection by the general public, shall be open for a personal inspection by any citizen of this state at a reasonable time and place; and those in charge of such records shall not refuse this privilege to any citizen” (O.C.G.A. § 50-18-70(b)). This means that past and current records on ARC RLF projects are required to be open for public inspection.

However, certain proprietary information which is required by DCA to be included in an economic development application and must be supplied by a business or developer in order to receive certification and which constitutes a “trade secret” (O.C.G.A. § 10-1-740 et seq.; 16-8-13(a)(4)) is exempt from disclosure under O.C.G.A. section 50-18-70. IF YOU CONSIDER FINANCIAL OR CREDIT INFORMATION SUBMITTED AS PART OF A DCA APPLICATION THAT MAY BE REVIEWED BY DCA A “TRADE SECRET”, PLEASE INDICATE BY SIGNING BELOW OR MARK INDIVIDUAL DOCUMENTS “TRADE SECRET.”

Authorized Signature

By: _____

Name: _____
(print or type)

Title: _____

Company: _____

Date: _____