

Additional City of  
Cleveland programs that can  
help your business  
include:

*Economic Development Loan*

*Equipment Loan*

*Neighborhood Retail  
Assistance Program*

*Minority Construction Loan*

*Municipal Small Business  
Initiative*

*Tech Delta*

*Enterprise Zone Tax Abatement*

*Gardening for Greenbacks*

**Cleveland+**  
Akron+ Canton+ Youngstown



**CITY OF CLEVELAND**  
Mayor Justin M. Bibb

For more information, please contact:

**Robin Brown**

Project Manager

Phone: (216) 664-3612

E-mail: [rbrown@clevelandohio.gov](mailto:rbrown@clevelandohio.gov)

**Ifeoma Ezepue**

Small Business Program Manager

Phone: (216) 664-3622

E-mail: [iezepue@clevelandohio.gov](mailto:iezepue@clevelandohio.gov)

Visit our website at:  
[Makeitincleveland.org](http://Makeitincleveland.org)

*Built by Industry.  
Inspired by Innovation.*



# WORKING CAPITAL LOAN PROGRAM



Providing low interest loans to manu-  
facturing companies for the purchase of  
inventory

City of  
**CLEVELAND**  
ECONOMIC DEVELOPMENT

## Program Overview

The Working Capital Loan Program is designed to help for-profit companies that need additional working capital beyond their traditional lines of credit. City assistance is designed to bridge the gap and help companies purchase the inventory and raw materials needed to fulfill orders.

## Program Eligibility

- Applicant must show that traditional bank financing is not available; or not available in the amounts needed; or at terms the company cannot afford to do the project.
- Applicant must demonstrate adequate collateral, credit, and capacity to repay the loan.
- No loans will be provided to companies relocating into Cleveland from outside a 25 mile radius of the City limits, per Federal regulations.

## Program Eligibility

Applicant is required to create or retain one (1) full time permanent job for every \$35,000 loaned within 3 years of closing the loan.

## Loan Structure

- This program offers loans which are fixed rate and below market.
- Loan terms are for up to 66 months with the first six months interest only payments followed by up to 60 months of principal and interest payments.
- Maximum loan amount of \$200,000.
- Maximum City assistance is 33.3% of total project cost.
- Applicant must provide a minimum of 10% equity. The business owner or majority stockholder is required to provide a personal guarantee for the loan amount.
- The City will take a lien position on equipment and/or building behind existing debt as long as the total loan to value ratio does not exceed 90%. If a recent appraisal is available it may be submitted. If no appraisal is available, the City will work to determine asset value.



Binkowsky-Dougherty

## Program Requirements

- \$150 non-refundable fee is due with application. A loan origination fee of .5% is due after approval and a loan closing fee of 1.5% of City loan amount must be paid at closing.
- Applicant must show invoices and cancelled checks for payment of equipment purchases.
- When the total value of City assistance exceeds \$75,000 to businesses with 20 or more employees, the wage only compensation of all employees must be a Living Wage, currently a minimum of \$10.00 per hour per employee.
- Applicant must execute a City Workforce Development Agreement: The Workforce Development Agreement works to match unemployed skilled workers with available positions.
- Applicant must be current on all income and property taxes at the time of application and be up to date with Workers Compensation.
- If installation costs exceed \$2,000, federal Davis Bacon prevailing wages are required.

## Ineligible Activities

- Refinancing debt
- Speculative projects