

City of Cleveland
Department of Economic Development
601 Lakeside Ave, Room 210
Cleveland, Ohio 44114

Phone: 216.664.2406 • Hours of Operation: 8AM to 5PM • Fax: 216.664.3681

Municipal Small Business Initiative Program

Once this application is completed, the review process will begin. **Please note: Applicants must meet the eligibility requirements listed below. An incomplete application will not be processed. Additionally, certain restrictions apply.**

The Municipal Small Business Initiative is a partnership with Cuyahoga County and the U.S. Small Business Administration. Its goal is to leverage financing to benefit economically disadvantaged small businesses in the creation of jobs and opportunities in the City of Cleveland. The City of Cleveland will provide up to 20% of total project costs, subject to availability of funds and approval, in the form of a performance grant that is based on a 3-year job creation period. City assistance offsets the equity requirement of SBA-backed loans.

Program Requirements:

- Business must be an economically disadvantaged business whose adjusted net worth is equal to or less than \$125,000;
- Business must obtain a business review assessment and recommendation by a participating Small Business Development Center;
- Business must be approved for an SBA-backed loan by a participating lender;
- Business must create 1 W-2, full time equivalent job for every \$35,000 in City funds. If job requirements are not met, the recoverable grant will be due in full to the City of Cleveland;
- Business must execute a Workforce Development Agreement and work with OhioMeansJobs Cleveland-Cuyahoga County to match unemployed skilled workers with available positions; and
- Business must obtain a letter of support from the councilperson in the ward where the business will operate.

The complete application and personal financial statements must be completed in detail in order to evaluate the project. Upon review of the application and confirmation of eligibility, the City will issue a Letter of Understanding to the business, which will also be forwarded to the SBA, the Small Business Development Center, and the SBA participating lender. The approval process will typically take 45 days depending on when the City is notified by the bank of the loan approval. Once the City of Cleveland is notified of the approval, a Letter of Commitment will be issued for signature.

Municipal Small Business Initiative Application

BUSINESS PLAN

Attach a business plan on the history and general background of the business.
 Attach a project description, including development plans and improvements.

COMPANY INFORMATION

BUSINESS NAME	BUSINESS PHONE #	EMAIL	
BUSINESS STREET ADDRESS	CITY	STATE	ZIP
TYPE OF BUSINESS	WEBSITE		
OWNER CONTACT NAME	PERSONAL PHONE #	EMAIL	
HOME STREET ADDRESS	CITY	STATE	ZIP

BUSINESS ORGANIZATION

Attach ownership structure and principals, if applicable. S-Corporation C-Corporation
 Limited Partnership Sole Proprietorship Limited Liability Co. General Partnership

OWNER NAME	TITLE	OWNERSHIP
		%
		%
		%

PROJECT SITE INFORMATION

PROJECT STREET ADDRESS.	ZIP CODE	WARD	COUNCILPERSON
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Anticipated Start Date: _____ Anticipated Completion Date: _____

Attach a site map, site plan and renderings, if available.
 Acreage of site: _____ Building square footage: _____

Zoning/Land Use
 Industrial Commercial Retail Warehouse Mixed Use Other (specify): _____

EMPLOYEE QUESTIONNAIRE

Number of current full-time equivalent employees: _____ Total current payroll: \$ _____

Project the number of full time equivalent jobs (not construction jobs) created through project.
 Full-time equivalent employees to be hired over the next 3 years: _____ Total anticipated payroll: \$ _____

SOURCES OF PROJECT FUNDS		USES OF PROJECT FUNDS	
SBA Bank Loan	\$	Acquisition	\$
City Recoverable Grant	\$	Construction/Renovation	\$
Equity	\$	Machinery & Equipment	\$
Other:	\$	Furniture & Fixtures	\$
Other:	\$	Site Improvements	\$
Other:	\$	Soft Costs	\$
TOTAL PROJECT SOURCES	\$	TOTAL PROJECT USES	\$

SBA Bank and Lender Contact Info:

COLLATERAL/SECURITY

List co-signers and guarantors. Each must complete Personal Financial Statements.

Name and Title	Address

NET WORTH* - If multiple owners, calculate adjusted net worth for each separately.

Personal net worth as stated on attached SBA Form 413 (PFS)	\$
LESS: Net worth in primary residence	\$
LESS: Net worth in retirement accounts	\$
LESS: Value in Business (if present)	\$
ADJUSTED NET WORTH (must be under \$125,000):	\$

*In order to be considered an Economically Disadvantaged Business, you must provide a joint, personal financial statement for each owner showing adjusted net worth under \$125,000. The personal financial statement should show the joint assets of the individual and spouse if applicable. The stated net worth will be adjusted downward by the amount of net worth showing in the primary residence, retirement accounts, and value of business, if such are shown on the personal financial statement. The adjusted net worth must fall below the threshold for each owner of the applicant business.

This application and SBA Form 413 (Personal Financial Statement) must be completely filled out before the City of Cleveland will issue a Letter of Understanding to our banking partners to begin the lending process. Eligibility is based on project type, Borrower demonstrating joint net worth per owner equal to or less than \$125,000, and the completion of a business review assessment with a local Small Business Development Center (SBDC).

Applicant also acknowledges, understands, and can comply with the equity requirement.

Signature

Date

APPLICATION PACKAGE ATTACHMENT CHECKLIST

Please use the checklist to determine if all required attachments are enclosed. Incomplete applications cannot be processed.

- Business Plan and Project Description
- Resumes of all principals with 10% ownership
- SBA Form 413 (Personal Financial Statement) and Tax Returns for Last Three Years
- Business Review Assessment Letter
- Documentation on Business Status
 - Articles of Organization or Incorporation
 - Operating Agreement or By-Laws
 - Certificate of Good Standing
- Three Year Operating Performa.
- Letter of Support from Ward Councilperson
- Letters of Commitment from Lenders and Financing Partners
- Project Budget, including construction specifications and cost estimates
- Proof of Federal Tax I.D. and Social Security Numbers
- \$100.00 nonrefundable application fee made payable to City of Cleveland
- Job Creation and Retention Form
- W-9 Form

I UNDERSTAND THAT ANY WILLFUL MISREPRESENTATION ON THIS STATEMENT COULD RESULT IN A FINE AND/OR IMPRISONMENT UNDER PROVISIONS OF THE UNITED STATES CRIMINAL CODE.

I HEREBY AUTHORIZE THE RELEASE TO THE CITY OF CLEVELAND ANY INFORMATION THEY MAY REQUIRE AT THE TIME FOR ANY PURPOSE RELATED TO MY CREDIT TRANSACTION WITH THEM.

I FURTHER AUTHORIZE THE CITY OF CLEVELAND TO RELEASE SUCH INFORMATION TO ANY ENTITY THEY DEEM NECESSARY FOR ANY PURPOSE RELATED TO MY CREDIT TRANSACTION WITH THEM.

APPLICANT NAME	TITLE	SIGNATURE	DATE
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