



ABOUT THE REVOLVING LOAN FUND (RLF)

The North Iowa Area Council of Governments (NIACOG) Revolving Loan Fund was established to provide a public financing tool to enhance business assistance programs and services to businesses and communities in the NIACOG region. It is the goal of the RLF to provide job creation as a result of the loan.

To accomplish this goal, the RLF provides direct low-interest loans to eligible businesses located in Cerro Gordo, Floyd, Franklin, Hancock, Kossuth, Mitchell, Winnebago, and Worth Counties in Iowa.

RLF participation is intended to fill capital financing gaps and is to be only one part of the overall business financing strategy.

Businesses and business sectors adversely impacted by COVID-19 may receive preference in funding.

The Revolving Loan Fund was capitalized through funding provided by the U.S. Economic Development Administration and matching funds provided by the Iowa Economic Development Authority.

The following are organizations who may be able to assist with securing additional funding opportunities.

Charles City Area Development Corporation
(641) 228-3020
tfox@charlescitiya.com

Franklin County Development Association
(641) 456-5668
fcdadirector@franklincountyiowa.com

Hancock County Economic Development Corporation
(641) 923-9921
director@hancockcountyiowa.com

Kossuth County Economic Development Corporation
(515) 295-7979
kcedc@kossuthia.com

Mitchell County Economic Development Corporation
(641) 732-4790
mcedcdirector@osage.net

**NIACC Pappajohn Entrepreneurial Center/
SBDC**
(641) 422-4111
pappajohn@niacc.edu

North Iowa Corridor
(641) 423-0315
admin@northiowacorridor.com

Winn-Worth Betco
(641) 592-0800
director@winn-worthbetco.com

NORTH IOWA AREA REGIONAL COUNCIL OF GOVERNMENTS



Serving the Counties of:
Cerro Gordo, Floyd,
Franklin, Hancock,
Kossuth, Mitchell
Winnebago, and Worth

FINANCING POLICIES

Loans directly related to COVID-19 business impacts that originate prior to **June 30, 2022** are available at **0% interest**.

Non-COVID-related business assistance loans are available as low as **0% interest** until **May 6, 2021**.

Loans originated prior to the above deadlines may have their payments deferred for up to 24 months.

Loans will generally range between \$25,000 and \$115,000.

Amortization of the loan will generally be made in equal monthly installments.

Loan terms may vary based on the intended purposes of the loan and at the discretion of the Loan Review Committee. Generally, loans for fixed capital carry 5 to 10 year terms, working capital carry 3 to 5 year terms.

Loan extensions beyond the original maturity may be considered in extreme circumstances to enhance the capability of the RLF in achieving the program objectives.

RLF loans may not be utilized as loan guarantee instruments.

The RLF will assist credit worthy applicants in creative financing options to assist them in their effort to bring their respective projects to fruition, including subordination of RLF debt.



Amber Andersen
Community Planner

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☎ (641) 423-0491 | fax (641) 423-1637

✉ aandersen@niacog.org

GUIDANCE POLICIES

Applications will not be considered from companies relocating within the NIACOG region.

NIACOG welcomes first prime lender first position in any deals.

Companies are required to complete the full application.

NIACOG requires signed confidentiality statements from all RLF committee members.

Preference will be given to applications including one or more of the following:

- New job creation
- Full –time jobs created or saved
- Commercial sector businesses
- Management experience
- Good credit history and leverage
- Sponsorship by an economic development organization (see back for list)

APPLICATION PROCESS

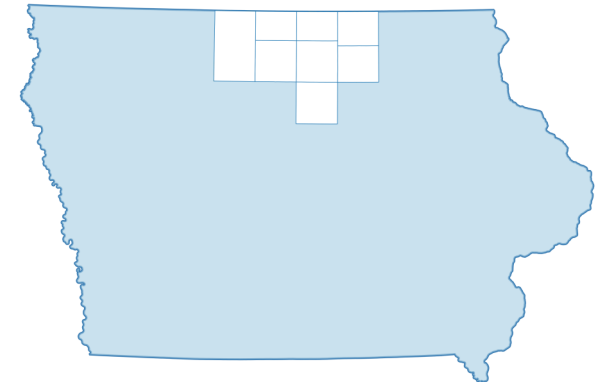
- 1 Applicant contacts NIACOG to schedule a meeting to discuss project viability.
- 2 Upon acceptance of the proposal, NIACOG issues an application to the interested business.
- 3 Applicant completes and submits the loan application, including all required documents and a non-refundable 1.5% application fee for businesses and sectors not directly affected by COVID-19.
- 4 Application is processed and reviewed by the Loan Review Committee (*approx. 1-3 weeks*). Loans under \$25,000 may be approved by the Exec. Director.
- 5 Review and approval by NIACOG Executive Committee (*meetings are second Tuesday of each month*).

RESTRICTIONS

Funds cannot be used for the following:

- Acquiring an equity position in a private business
- Subsidizing interest payments on an existing loan
- Providing for borrowers' equity contributions under other Federal agencies' loan programs
- Enabling borrowers to acquire an interest in a business (stock or assets) unless evidence is furnished in the loan documentation that doing so will save a business from imminent closure, or will facilitate expansions with an increase in jobs
- Providing funds to a borrower to invest in interest-bearing financial assets
- Refinancing existing debt, unless there is sound economic justification provided in the loan documentation
- RLF loans may not be utilized as loan guarantee instruments.

NIACOG REGION



Cerro Gordo, Floyd, Franklin, Hancock, Kossuth, Mitchell, Winnebago, and Worth Counties