

MAYOR BRETT P. SMILEY  
CITY OF PROVIDENCE

# PROVIDENCE BUSINESS LOAN FUND (PBLF)

## APPLICATION: SMALL BUSINESS LOAN

Thank you for your interest in the PBLF Loan Program. Before completing the application, we encourage you to review the eligibility requirements and standards for this federally\* funded program, as set by PBLF. Please read the following requirements carefully before proceeding. If you have any questions, feel free to contact us at 401.680.8412 or email [thoagland@providenceri.gov](mailto:thoagland@providenceri.gov)

### Job creation

- For every \$35,000 you request, you must hire one (1) Full-time Equivalent (FTE) position above current staffing levels.

### Collateral

- You must be able to document that you can provide at least 100% collateral against the size of your loan. (For example, if you want to borrow \$35,000; you will need to have at least \$35,000 in collateral value to pledge to your loan. You may use corporate or personal assets, or a combination of both, to secure the repayment of the loan.

### Credit

- Your credit history may be a determining factor when reviewing your application. All persons owning a 10% or greater interest in the business will be required to personally guarantee the loan.

### Reimbursement based loan

- Since these are federal funds, loan proceeds are provided on a reimbursement basis rather than as a lump sum, ensuring they are spent on eligible expenses. This means your business must first cover eligible costs, then request reimbursement from PBLF. Alternatively, PBLF can pay vendors and suppliers directly instead of reimbursing your business. If your business lacks the cash flow to cover expenses upfront, this loan may not be suitable for your needs.

### Back-up materials

- IRS Tax Returns – 3 most recent personal & business tax returns
- A Bank rejection letter indicating that you have applied for a loan in the same amount and were not approved.
- Business plan / Experience
  - **Existing business** – statement of your experience/ bios and resumes of principles
  - **Start-up companies** – We do *not* generally fund start-up businesses

### Davis-Bacon compliance

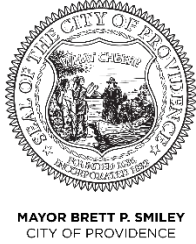
If you are seeking funds for build-out, remodeling or construction of more than \$2,000 in work, you must comply with Davis-Bacon (prevailing wages) federal regulation.

**UEID Number** – You will need to have a Unique Entity ID (UEID) Number. It is free to obtain at [www.SAM.gov](http://www.SAM.gov)

### First Source Compliance

You must also agree to reach out to Providence residents first in hiring employees, and to conform to all federal and city compliance and monitoring requirements.

\*PBLF Programs are funded by the US Economic Development Administration (EDA) and the US Department of Housing and Urban Development (HUD)



# PROVIDENCE BUSINESS LOAN FUND (PBLF)

## LOAN TERMS

### SMALL BUSINESS LOAN

#### LOAN SIZE

**\$50,000 to \$500,000+**

#### LOAN TERMS

Purpose	Term
Acquisition of machinery, equipment, furniture, and fixtures, or working capital	7 to 10-year amortization with a 5-year term
<b>Acquisition of real estate</b>	<b>25 to 30-year amortization with a 5 to 10-year term</b>

#### INTEREST RATES

**3% - 5%**

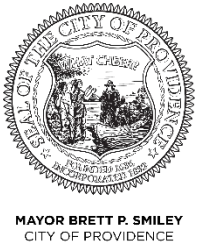
**Depends on use of funds and credit of the borrower**

#### FEES

<b>Origination Fee</b>	<b>1% of loan amount &amp; processing fee of \$5.50 for each payment</b>
Closing Costs - Legal Fee	Paid by Borrower. No more than \$1,500 for loans up to \$100,000

#### LOAN REQUIREMENTS

<b>Must be secured by business assets</b>	<b>Personal assets of owners / principals may be required as additional security</b>
Must be guaranteed by all persons owning 10% or more	Subject to conditions of U.S. Federal Code Sec. 570 Title 24
<b>One permanent FTE job created or retained per \$35,000 borrowed.</b>	<b>At minimum 51% of created jobs must be held by Low/moderate income individuals</b>
Create job opportunities for Providence residents	Must comply with quarterly job creation reports



# PROVIDENCE BUSINESS LOAN FUND (PBLF) APPLICATION: SMALL BUSINESS LOAN

## I. APPLICANT/PRINCIPAL(S) PERSONAL INFORMATION

1. Last Name	First Name	Middle Initial	Social Security No.	
2. Last Name	First Name	Middle Initial	Social Security No.	
Home Telephone	Mobile Telephone		Email Address	
Home Address	City		State	Zip

Racial Background (Optional)    White    Black/African American    Asian    American Indian/Alaskan Native  
 Native Hawaiian / Other Pacific Islander    Do not wish to disclose

## II. PROPOSED PROJECT

Business Name		Business Telephone		Type of Business Zone	
Business Street Address		City	State	Zip	<input type="checkbox"/> Commercial <input type="checkbox"/> Manufacturing <input type="checkbox"/> Office
Property Owner of Record	Address of Property Owner		City	State	Zip

## III. SCOPE OF WORK

Proposed Scope of Work:	Project Costs	PBLF Financed Costs
Interior:	\$ _____	\$ _____
Exterior:	\$ _____	\$ _____
Equipment:	\$ _____	\$ _____
Working Capital:	\$ _____	\$ _____
Acquisition:	\$ _____	\$ _____
Total Cost:	\$ _____	\$ _____

## IV. FINANCIAL INFORMATION

Estimated Total Cost of Project:	\$ _____	Have you received any other assistance from the City of Providence or any Federal Programs for the above presented project or any other property?  <input type="checkbox"/> Yes <input type="checkbox"/> No
Loan Amount Requested:	\$ _____	
Other Source of Financing:	\$ _____	
Funds Being Invested By Owner:	\$ _____	

## V. PROJECT INFORMATION

1. Does the Project include renovations?    Yes    No

2. Is the property presently vacant?  Yes  No
3. Is the property owner occupied?  Yes  No
4. Is the property located within a historic district?  Yes  No
5. Is the project located within a commercial district?  Yes  No
6. How many employees are presently employed by the company applying for the loan? \_\_\_\_\_
7. How many current employees are within a low-to-moderate income category? (See Attachment A for income levels.) \_\_\_\_\_
8. After the project is completed, how many new employees do you expect to employ? \_\_\_\_\_
9. Complete the following for permanent positions to be created or retained. If more space is needed, attach additional information. List each position individually. See Attachment A for more details.

Position or Title of Job Created	Full-Time/Part-Time (FT or PT)	Hours (weekly)	Low/Mod Income (Y/N)

10. Will there be any other financing in addition to PBLF Funds?  Yes  No

11. If there will be other financing, please list source(s) and amount(s):

\_\_\_\_\_ \$ \_\_\_\_\_  
 \_\_\_\_\_ \$ \_\_\_\_\_

12. Applicant attests that all taxes due to the State of Rhode Island and to the City of Providence are current.

13. Applicant hereby authorizes PBLF to obtain information on the Applicant and related parties for its use in evaluating this request.

The undersigned certifies that the above information inserted herein and submitted as exhibits A-N are true and accurate and also agrees to authorize PBLF to obtain a credit report on the Applicant.

\_\_\_\_\_ Applicant Signature

\_\_\_\_\_ Date

## ATTACHMENT A

### PROVIDENCE BUSINESS LOAN FUND REVOLVING LOAN FUND

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Listed below are the Low-to-Moderate income levels as established by the Department of Housing and Urban Development. Please verify with PBLF staff that the income limits below are current as they are subject to change from time to time.

A person or household is considered to have **Low-to-Moderate Income** if their household Adjusted Gross Income (AGI) is at or below 80% Area Median Income (AMI). This is based on the individual's income *prior* to being hired by your business, not on the pay rate you will offer for the position.

80% Area Median Income* for Providence, RI	
1-PERSON HOUSEHOLD	\$62,950
2-PERSON HOUSEHOLD	\$71,950
3-PERSON HOUSEHOLD	\$80,950
4-PERSON HOUSEHOLD	\$89,900
5-PERSON HOUSEHOLD	\$97,100
6-PERSON HOUSEHOLD	\$104,300
7-PERSON HOUSEHOLD	\$111,500
8-PERSON AND ABOVE	\$118,700

*\*Tax Year 2023*

As a condition of your PBLF Small Business Loan, you agree to create at least one (1) **Full Time Equivalent (FTE)** job for every \$35,000 borrowed. One FTE is defined as 40 payroll hours per week, which can be one full-time employee, or multiple part-time employees whose combined hours equal 40 hours per week. Additionally, at least 51% of the FTE jobs created must be held by individuals with Low-to-Moderate Income. ***Only permanent W-2 jobs will count toward meeting this requirement; seasonal positions, internships, independent contractors, and 1099 employees are not eligible.***