



CITY OF RENSSELAER ECONOMIC DEVELOPMENT LOAN PROGRAM



FACT SHEET

Description of Program:

- >HUD-Funded revolving loan fund.
- >Available to new and existing businesses (manufacturers, wholesalers, retailers with three or more employees) and some service-based businesses (all food service enterprises and those establishments where alcohol or if applicable cannabis is consumed on premises are subject to a more stringent review process and underwriting criteria), located in the City of Rensselaer.
- >Minimum loan amount: \$30,000; based on available funds.
- >Fixed rate is Lowest WSJ Prime Rate as of date of closing.
- >Loan cannot exceed 40% of total project financing.
- >One job must be created (within two years) for each \$10,000 borrowed.
- >51% of jobs created must be “made available” to those in low-to-moderate-income households.
- >Loan proceeds may be used to acquire fixed assets, purchase inventory, support current accounts receivable and to refinance existing debt where such refinancing is a required element of total project financing. Loan proceeds shall not be used for capital improvements.
- >A 1% applicant commitment fee will be charged and must be paid by the applicant prior to closing.

NOTE: To ensure maximum benefit to the City economy, loan applications are accepted on a potential-for-job-creation-basis NOT on a first-come-first-served basis. Acceptance of applications is also subject to availability of funds on the application date.

Requirements to Qualify:

- >Submit pre-application information and a \$25.00 pre-application fee. If project is viable, upon invitation, an application fee of \$150.00 will be due upon submission of the loan application.
- >Project (and project owners) must be creditworthy.
- >Comply with business activity, job creation and use of proceeds rules.
- >Be in compliance with all City and NYS Building and Zoning Regulations.

NOTE: All closing costs included but not limited to City Counsel legal fees shall be paid by the borrower at closing. All Economic Loan Program fees and associated costs are non-refundable.

Who to Contact :

City of Rensselaer
Department of Planning & Development
62 Washington Street
Rensselaer, NY 12144
518-462-4839