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Economic Development Loan Fund

The Lake County Ohio Economic Development and Port Authority administers the County's Economic Development Loan Fund. This fund was created by the County Commissioners and utilizes federal Community Development Block Grant funds to help business either move into Lake County or to expand existing operations.

Eligible Activities

- Acquisition of land and buildings
- Site preparation; the construction and reconstruction of buildings/ the rehabilitation of buildings, including leasehold improvements and facade renovation for commercial and industrial buildings;
- Installation of fixed equipment
- Clearance, demolition and removal of structures

Ineligible Activities

- Refinancing or consolidating existing debt
- Reimbursement for consolidating existing debt
- Specialized equipment that is not essential to the business operation
- Residential building construction and reconstruction
- Routine maintenance and operating cost (i.e. salary)
- Professional services
- Additional ineligible projects not listed

Requirements:

- One dollar of private sector investment must be provided for each dollar of Economic Development Loan Fund investment, and the Economic Development Loan cannot be more than 50% of the total project cost.
- A minimum of one full-time equivalent (FTE) job must be created or retained for each \$35,000 of Economic Development Loan funds requested.
- The applicant must demonstrate that the proposed project is viable and that the business has the economic ability to repay the funds.
- At least 51 percent of the FTE jobs that will be created or retained shall be held by, or made available to, persons who reside in low-and moderate-income (LMI) households as defined by the County with income limits provided by the U.S. Department of Housing and Urban Development.
- Applicants shall comply with all applicable local, state, and federal laws and codes, including the Environmental Release documents.
- All projects shall be completed, all funds expended, and all jobs created or retained within 24 months from the date of the EDLF loan approval.
- All jobs shall be maintained for a minimum of 12 months.

Terms and Conditions

- The amount of funds available for any single business enterprise shall range from a minimum of \$10,000 to a maximum of \$125,000. Requests for loan amounts outside this range will be negotiated on a case-by-case basis.
- The interest rate on each loan shall be determined on a case-by-case basis by the Economic Development Loan Fund Committee with a minimum of four percent. The interest rate shall be fixed for the term of the loan.
- Standard terms for Economic Development Loan Fund loans shall be as follows:

- 1) machinery equipment and fixtures: 2 to 10 years;
- 2) buildings and land: 5 to 10 years (20 years upon request).

- Deferral of principal payments may be provided for a maximum period
- of one year from the date of the first disbursement of Economic Development Loan funds. Interest only payments during this period shall be required.
- There are no prepayment penalties
- Collateral requirements shall be determined on an individual basis by the Economic Development Loan Fund Committee

Loan Fees

The Lake County Ohio Port and Economic Development Authority shall require a loan application fee of one percent of the Economic Development Loan Fund loan amount, with a minimum of \$100.