**Section 570.25 Application Documentation**

a) Direct Funding

1) The application for a loan shall include documentation of the following:

A) History of the Company (if applicable) – a brief history of the business and past employment growth.

B) Market Information – information on the company's products or services and identification of existing and potential major customers and competitors.

C) Historic Financial Statements (if applicable) – historic financial statements for the past three years, if the business is not a new plant start-up or new business opportunity and interim statements dated no more than ninety days prior to application including:

i) Profit and Loss (Income) Statements;

ii) Balance Sheets; and

iii) Disclosure of Contingent Liabilities (if applicable).

D) Two Year Projections – two year projections of the Profit and Loss Statement and a one year Monthly Cash Flow Projection. Except that proposed projects of less than two years in duration shall only be required to submit projections appropriate for the projects (e.g., projects of less than one year shall only need to submit cash flow projections).

E) Site Map (if applicable) – an outline of the general location of the project on a site map, including the location of any floodplain areas.

F) Land and Building Information ( if applicable) – for land and/or building acquisition, appraisal by a credentialed appraiser (e.g., Member American Institute (MAI) of the American Institute of Real Estate Appraisers, Senior Realty Appraiser (SRA)) acceptable to the Department and a copy of the purchase option or agreement; for building construction or renovation, a contractor or architect's cost estimates; for space rental, a draft rental/lease agreement; if real property and fixtures will be offered as collateral for funding, an appraisal by a credentialed appraiser acceptable to the Department.

G) Description of Machinery and Equipment (if applicable) – major equipment or classes of equipment to be acquired with the Department's program funds identified; for acquisition of new machinery and equipment, attachments of reliable vendor cost estimates; for moving and installation costs, attachments of written estimates; for used machinery and equipment acquisition, an appraisal demonstrating that the fair market value is in line with the purchase price and a specific description of the equipment including serial numbers, if available.

H) Description of Working Capital (if applicable) – a detailed explanation of the need for the use of the funds.

I) Company Management – a listing of those individuals who are responsible for the management of the company, their positions and responsibilities, and resumes of key senior individuals (e.g., Owner, Partner, President, Vice President, Treasurer) at the company location.

J) Ownership – the company will provide a detailed statement of ownership which shall include a percentage of ownership. Such statements shall clearly identify any ownership interest which amounts to 20% or more, or any lower amount as determined by the Department, any ownership entity (e.g., individual, partnership, corporation) which is considered to be controlling the business, and/or any entity which is guaranteeing any financial or contractual activities of the company. For all such entities which meet any conditions of this subsection, a financial statement shall be provided. The financial statements shall include full name, home/corporate address and social security number/federal employer identification number (FEIN).

K) Letters of Commitment – commitment letters documenting all sources of leveraging; loans from financial institutions must have language indicating the loan amount, the specified term and interest, collateral, conditions attendant to the loan, and the fact that the loan is approved; any commitment to purchase a revenue bond must have an executed inducement resolution and the rates, terms, and conditions of approval by the buyer.

2) The application for the Technical Assistance Grant shall include documentation of the following:

A) Proposed Work Plans – Provide a detailed description of how the project will be administered to meet the project goals;

B) Timelines – Provide a detailed list of dates, to include a starting and completion date, in order to show the orderly progression of the project;

C) Objective and results of the project – Describe the economic development purpose being served or to be served by the Technical Assistance Grant. Also, describe the anticipated economic development benefits, in quantifiable terms, resulting from the Technical Assistance Grant;

D) Persons responsible for administering the effort – Provide a resume for each individual who will be involved in the project. Resumes should contain present and past work experience along with educational information;

E) Cost of completing the proposed effort – Provide a detailed list of all costs which will be incurred in order to complete the project; and

F) Other documentation that may be necessary.

3) Grant application documentation for Development Corporation shall contain the following:

A) History of Applicant – Provide a brief history of the Development Corporation, legal status (e.g., stock corporation, not-for-profit, general unit of government, etc.), board structure, etc., as a separate attachment. Provide proof of authority to operate, including, as appropriate, articles of incorporation, bylaws, and a resolution of the Board to participate.

B) Mission and Goals – Fully describe the economic development purpose being served or to be served by the Development Corporation and the major objectives of the Development Corporation and how it will meet these objectives.

C) Local Market Needs – Identify the geographic area to be served by the Development Corporation and the typical borrowers to be served (third party beneficiaries of the Development Corporation's lending), and the primary business financing needs that shall be addressed. Include a profile of the Development Corporation's target area. Outside the boundaries of Cook County, the Development Corporation must service a substantial geographic area containing a significant population base (e.g., county, multi-county, statewide, etc.).

D) Financial Products and Services – Describe the financial products and financial services to be offered. This should include the type of lending and equity to be offered, term of lending to be provided, minimum and maximum amounts, if any, on loans outstanding to individual firms, etc. If the Development Corporation is recently formed, include the timetable for implementation.

E) Results Expected – Describe anticipated economic development benefits resulting from the Department's financial assistance.

F) Staffing and Management – Provide a description of how and by whom the Development Corporation will be managed and staffed, including specific information on Board membership.

G) Operating Procedures – Describe how the Development Corporation will be operated, proposed location of officers and/or facilities, marketing of corporate services, etc. Describe the corporate decision making process for making business loans and other types of investments, due diligence process and credit analysis procedures to be used, and application procedures to assure prudent operation of the lending and investment activity.

H) Coordination and Community Involvement – Provide a description of the primary working relationships with public and private entities, such as local, state and federal financial institutions, venture capital partnerships, public or non-profit development agencies, etc. Describe community involvement in the Development Corporation referral process (if applicable).

I) Capitalization – Provide a summary of financial projections, anticipated/actual sources of operating income, the amount of Development Corporation capitalization and expected funding needs of the Development Corporation. Specifically, include the nature and amount of bank and other corporate investments, and major stockholders or shareholders and percent of ownership. For new Development Corporation, include a detailed timetable for securing all initial corporate financing.

J) Budget Request – Identify the amount of funds requested from the Department. The request should also detail the type of funding needed (loan, grant or investment), how it will be secured and repaid, and how it will be used (organizational costs, direct lending to third party beneficiary projects) and the anticipated schedule (timing) for using Department funds.

K) Letters of Commitment – Applications must include documentation of all sources of Development Corporation matching funds in the form of specific commitment letters. Commitment letters must have language indicating the terms and conditions attendant to the contribution, including the amount, when the contribution will be made, and any conditions which must be met before the contribution is made.

b) Indirect Funding

1) Participation Loan Program and Development Corporation Participation Loan Program – Documentation from the financial intermediaries shall contain the information which is required by the financial intermediary as part of its loan application and such additional information as the Department may deem necessary. Before participations are made to the financial intermediary, the following documentation shall be required by the Department, except that a financial intermediary regularly examined by a financial institution regulator (e.g., Commissioner of Banks and Trusts, Office of the Comptroller of the Currency, etc.) may substitute documentation of good standing.

A) History – A brief history of the financial intermediary, legal status (e.g., stock corporation, not-for-profit, general unit of government, etc.), board structure, etc., as a separate attachment. Provide proof of authority to operate, including, as appropriate, articles of incorporation, bylaws, and a resolution of the Board to participate.

B) Local Market Needs – Identify the geographic area served by the financial intermediary and the typical borrowers served and the major objectives of the financial intermediary.

C) Historic Financial Statements -Provide historic financial statements for the past three years, if the financial intermediary is not a new start-up, including:

i) Profit and Loss (Income) Statements;

ii) Balance Sheets; and

iii) Disclosure of Contingent Liabilities.

D) Staffing and Management – Provide a description of how and by whom the financial intermediary is managed and staffed, including specific information on Board membership.

E) Other Documentation – Other documentation determined by the Department to be necessary.

(Source: Amended at 18 Ill. Reg. 6119, effective April 11, 1994)