



Funding Sources in Greater Kansas City

Loan Opportunities

Table of Contents

Citywide Development Corporation..... 2

Clay/Platte Development Corporation..... 2

Count-Me-In 3

EDC Loan Corporation..... 3

Growth Opportunity (GO) Connection..... 4

Hispanic Economic Development Corporation 4

Mo-Kan Development, Inc. 5

Port Authority/Ameristar – Isle of Capri (PAAIC) Fund 5

RMI (Resources for Missouri, Inc.)..... 5

Small Business Administration..... 6

South Central Kansas Economic Development District 7

Loan Opportunities

Citywide Development Corporation

913.788.9884 www.citywidekcks.com

Program: Revolving Loan Fund

Program specifics: This is a direct loan fund from Citywide whose focus is to stimulate private sector capital formation; aid small business development; redevelop blighted or vacant land and facilities; stabilize and diversify the area economy by providing employers with start up or expansion capital; and provide capital for manufacturing and service companies using new technologies.

The loan amounts fall between \$5,000 and \$75,000 with repayment terms of up to 7 years. Interest rates are generally lower than market rates. The property or business must be located inside the city limits of Kansas City, KS. RLF loans ***must be*** leveraged with private dollars, either from outside sources such as a commercial bank or the owner's personal capital injection. If it is an owner's injection, it may take the form of cash and/or property. For example, if the customer were to borrow \$90,000 from outside sources, the RLF could then lend another \$30,000, provided that the financial institution issues a commitment letter stating that they are willing to be the primary source of funds.

Criteria for activities to be financed are: private borrower; emphasis on acquisition/renovation of existing older buildings; retention and/or expansion of existing businesses; locally owned businesses; emphasis on small businesses; and manufacturing, distribution, commercial, retail and service industry classifications.

General uses include: acquisition of real property; acquisition, construction or rehabilitation of commercial or industrial buildings; purchase of capital equipment; purchase of fixtures that are a part of the real property; building façade improvements; and energy conservation improvements.

Clay/Platte Development Corporation

816.468.4989 www.clayedc.com/cpdc.htm

Program: Revolving Loan Fund

Program specifics: This is a direct loan fund from CPDC whose focus is to assist healthy existing eligible small businesses in Clay & Platte counties with "gap" financing (may be used to finance a borrower's needs that are outside the requirements of other loan programs). Clay/Platte Development Corporation uses it a lot, but not exclusively, to finance equipment. Loan amounts range from \$25,000 to \$150,000+. Job creation is a requirement.

The funds may be used for fixed assets, including machinery and equipment, furniture and fixtures, and real estate improvements. Benefits of the program are a low down payment (typically 10%), below market fixed rate, and long-term financing (10 years max).

Eligible businesses are existing for-profit operating businesses in manufacturing, processing or assembling of products; service-business operations; and retail. Start-ups are considered on a case-by-case basis.

Count-Me-In

www.count-me-in.org

Program: Count-Me-In Loan Fund

Program specifics: Count Me In is an organization that promotes women's economic independence. Their loan fund provides loans from a few hundred dollars to \$5000 for a first time loan, and up to \$10,000 for subsequent loans. The loan application and instructions are all online. Their loan committee takes into account the type of business that an applicant is starting and prior experience. Loan monies can be used for working capital, purchase of inventory or equipment, marketing materials for a sales event or other uses that help a business generate cash.

EDC Loan Corporation

816.691.2108 www.edckc.com

Criteria for all loan funds: businesses with \$7.5 million or less net worth and less than \$2.5 million/year net income for the past 2 years.

Program: Revolving Loan Fund (RLF)

Program specifics: This fund is for any for-profit small business in Kansas City, Missouri. Maximum loan amount is \$150,000.

Program: River Market Loan Fund (RMLF)

Program specifics: Business must be located in the River Market or Columbus Park area of Kansas City, Missouri. Maximum loan amount of \$50,000

Program: Neighborhood Commercial Revolving Loan Fund (NCRLF)

Program specifics: Businesses in enterprise zones and low income zones. Maximum loan amount of \$150,000; business must be located in Kansas City, Missouri.

The State defines an enterprise zone as:

- census tracts in which 51% or more of the population is at or below 80% of the area median income, as determined periodically by HUD;
- aiding in the prevention of slum and blight on either an area basis or in a designated urban renewal area; or
- meeting community development needs having special urgency.

Program: Kansas City Minority Business Capital Revolving Fund (MBCF)

Program specifics: Five county metro-wide area. This is the only fund EDC offers on the Kansas side. The business must be 51% ethnic-minority owned. The maximum loan amount is \$100,000.

Program: SBA 504 Loan Fund, they administer this fund for KCMO only.

Program specifics: Long term, fixed-rate financing to enable businesses to acquire real estate or machinery or equipment for expansion or modernization.

Program: Small Business Loan Fund (SBLF)

Program specifics: Designed for small businesses planning fixed asset purchases of generally \$1,000,000 or less. Overall financing structure is as follows:

- Bank provides financing equal to 50% of the project;
- EDC SBLF program finances 40% of the project up to \$150,000; and
- Borrower is required to provide 10% equity.

Program: Downtown Loan Fund (DLF)

Program specifics: This fund acts as a credit enhancement tool for retail businesses, locating Downtown, that are unable to obtain sufficient working capital through conventional lenders. The goal of the loan program is to assist these businesses with establishing a banking relationship on their own, independent of the DLF. The DLF can enhance collateral through equity or provide loans for sufficient working capital or tenant improvement capital.

Growth Opportunity (GO) Connection

816.235.6146 www.goconnection.org

Program: Microloan

Program Specifics: Serves the following Kansas counties: Douglas, Leavenworth, Johnson, Shawnee, Wyandotte, satellite office in Topeka; and Missouri counties: Jackson, Cass, Clay, Platte. Loan quantities are \$500 - \$50,000. Any amount requested over \$20,000 requires a letter of rejection from a bank. Loan monies may be used for purchase of business equipment, purchase of business inventory, and working capital.

The following businesses do NOT qualify:

- nonprofit organizations
- consumer and marketing co-ops
- academic institutions
- gambling concerns
- floor planning concerns (i.e., wholesale auto inventory financing)
- speculative concerns
- lending or investment institutions
- multilevel marketing or pyramid sales

The following applicants are NOT eligible:

- convicted of a civil or criminal offense
- past due on school loans
- past due on child support payments
- notified in writing by federal government that he/she is not eligible for federal loan programs

Program: Microloan Express

Program Specifics: Loan quantities are from \$500 to \$7500 with a repayment period of 1-2 years. Applications will be processed within two weeks. These loans are ideal for seasonal inventory, equipment, seasonal working capital, and project-based loans.

Hispanic Economic Development Corporation

816.221.3442 www.kchedc.org

Program: Nonprofit Loan Fund

Program specifics: This loan fund is for **nonprofit organizations** located within Kansas City, Missouri. Funds must be used for projects within KCMO and be approved by HEDC's board. There is no minimum; the maximum amount depends on how much HEDC has in their loan fund at a particular time. These loans are at low-comparative rates for projects that are in line with HEDC's organizational goals, mission, and values.

Mo-Kan Development, Inc.

816.233.3144 www.mo-kan.org/MKDI/rlf.htm

Program: Revolving Loan Fund

Program specifics: Eligible area includes Atchison, Brown, Doniphan counties in Kansas and Andrew, Buchanan, Clinton, and DeKalb counties in Missouri. Eligible businesses are for-profit, tangible net worth less than \$6 million, a net income after taxes less than \$2 million, and fewer than 100 employees.

The loan monies may be used for the purchase of fixed assets; such as land, buildings, and equipment or working capital for renovations, expansions or inventory. Ineligible businesses include those relocating out of the 7 county area, churches, not-for-profit concerns, gambling establishments, and illegal businesses.

The maximum amount of a loan is \$200,000. The loan monies may be combined with another loan fund.

Port Authority/Ameristar – Isle of Capri (PAAIC) Fund

816.235.6159 Ms. Audra McLeod (Go Connection)

Program: PAAIC Fund has established a \$2 million loan fund which is administered by a six member board established by the Port Authority of Kansas City, Missouri.

Program specifics: This fund is for the advancement of women & minorities in business. It offers low interest loans, loan backing in the form of collateral, and grants. Forty percent will go towards direct loans or collateral to provide developmental support. Twenty percent will go to direct grants for educational or developmental support. Twenty percent will be for minorities and women in business who have on-going contracts to provide goods and services to area casinos, for direct loans or as collateral. Special consideration will be given to business opportunities in federally approved Enhanced Enterprise Community areas in Kansas City. No single recipient may receive more than \$100,000 from the fund. When calling the above contact phone number, mention you are specifically calling about the PAAIC fund.

RMI (Resources for Missouri, Inc.)

800.234.4971 www.rmiinc.org

For all RMI programs, an applicant is not eligible if past due on child support and student loans or if delinquent on taxes. RMI serves all of Missouri outside of Jackson, Cass, Clay, Platte counties, which are served by GOConnection.

Program: Microloan

Program specifics: \$500-\$35,000. Money from RMI may be used for leasehold improvements. Microloan funds cannot be used for projects valued at over \$105,000. Monies may also be used for gap financing, which is when there is a gap between what a financial institution is able to lend and the amount that a borrower needs.

The following businesses do NOT qualify:

- nonprofit organizations
- consumer and marketing co-ops
- academic institutions
- gambling concerns
- floor planning concerns (i.e., wholesale auto inventory financing)
- speculative concerns
- lending or investment institutions
- multilevel marketing or pyramid sales

The following applicants are NOT eligible:

- convicted of a civil or criminal offense
- past due on school loans
- past due on child support payments
- notified in writing by federal government that he/she is not eligible for federal loan programs

Program: 504

Program specifics: \$50,000 - \$2 million

Long term, fixed-rate financing to enable businesses to acquire real estate or machinery or equipment for expansion or modernization.

Program: IRP (Intermediary Relending Program)

Program specifics: \$5,000 - \$250,000 or 75% of total project cost, whichever is less. Funds may be used for fixed assets, working capital or inventory. Those eligible are for-profit businesses in non-metro areas, with a population of 25,000 or less. Non-eligible projects include recreational / amusement facilities and most agricultural production (there are some exceptions such as commercial nurseries, forestry, livestock and poultry processing, and the growing of mushrooms & hydroponics).

Program: RBEL (Rural Business Enterprise Loan)

Program specifics: \$1,000 - \$50,000. Fund may be used for fixed assets, working capital or inventory. Those eligible are businesses in Missouri non-metro areas, with a population of 25,000 or less. Loan requires a 1-to-1 match from outside sources. Ineligible projects include hotels and recreation/amusement facilities.

Small Business Administration

816.374.6701 www.sba.gov

Program: Microloan

Program specifics: Provides short-term loans of up to \$35,000 to small businesses and not-for-profit child-care centers for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment. Proceeds cannot be used to pay existing debts or to purchase real estate.

Program: 504

Program specifics: Long term, fixed-rate financing to enable businesses to acquire real estate or machinery or equipment for expansion or modernization.

Program: 7(a) Loan Guaranty

KCSourcelink

Phone: 816.235.6500

Email: info@kcsourcelink.com

Program specifics: Loan proceeds can be used for most sound business purposes including working capital, machinery and equipment, furniture and fixtures, land and building (including purchase, renovation and new construction), leasehold improvements, and debt refinancing (under special conditions). Loan maturity is up to 10 years for working capital and generally up to 25 years for fixed assets.

South Central Kansas Economic Development District

316.262.7035 www.sckedd.org

SCKEDD serves the following 14 Kansas counties: Butler, Chautauqua, Cowley, Elk, Greenwood, Harper, Harvey, Kingman, Marion, McPherson, Reno, Rice, Sedgwick, and Sumner.

Program: SBA Microloan

Program specifics: This program offers direct loans of up to \$35,000. Any amount requested over \$20,000 requires a bank turnaround. This cannot be for real estate loans or note restructuring. Maximum 6 year term loans.

Program: SBA 504 Loan

Program specifics: This is the fixed asset loan program. It's used for such fixed assets as land, buildings, machinery or equipment, or the construction, modernization, renovation or restoration of facilities. Financing is only for fixed assets, but can use a SBA 7(a) companion loan for other needs.

Program: Intermediary Relending Program (RD)

Program specifics: This program is for direct loans of \$150,000 or less with a 25% match from other sources. Eligible areas include non-metro areas and communities up to 25,000 in population. Monies to be used for land & building; machinery & equipment; or inventory & working capital.

Program: Business & Industry (Rural Development)

Program specifics: This program's purpose is to create & maintain employment in rural communities. A start-up business must present a feasibility study. The loan range is approximately \$400,000 to \$10 million. Eligible areas include rural areas and cities up to 50,000 population. The bank signs a lender's agreement, with a percentage of guarantee of approximately 80%.

Program: Revolving Loan Fund (RLF)

Program specifics: This is the most flexible loan program available from the SCKEDD. The maximum loan is \$300,000. Funds may be used for most purposes except re-financing existing loans. This is a locally administered program from the U.S. Economic Development Administration.