



FOR MORE INFO:

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BUSINESS ASSISTANCE LOAN

Presented by the City of New Britain &
The Commission on Community and Neighborhood Development

PROGRAM DESCRIPTION

The Department of Planning & Development is proud to offer this Business Assistance Loan to jumpstart businesses in need of capital in order to succeed in the City of New Britain.

Basic provisions of our loan include:

Loan Amounts – Loan amounts are tied to job creation. Up to \$35,000 per full-time job created and up to a 15-year repayment term depending on the type of project, or life of assets financed.

Interest Rates – Ranges from 2-4% depending on Prime Rate as determined by current market conditions.

Payments – Monthly payments required of interest and principal.

Collateral Requirements – All loans will be secured with collateral of an amount equal to the loan amount.

Specific requirements:

For-profit businesses – Must either create or retain jobs of which at least 51% are available to low- and moderate-income persons, OR

Provide necessary services and goods to the residents of a low- or moderate-income neighborhood (i.e., grocery stores, laundromats, retail).

USE OF FUNDS



Purchase of new fixtures, furniture, and appliances



Facade renovations & signage



Leasehold and code improvements



Operating costs



Security systems

Some improvements may be subject to Davis-Bacon Wage Rates.

ELIGIBILITY

- ALL projects must either create or retain jobs.
- Businesses may be either for-profit or non-profit.
- The property or business being assisted must conform with local zoning regulations.
- For properties containing both residential and business uses, assistance shall be limited to activities which relate to the non-residential use.
- The property owner or business owner must not be tax delinquent.
- The existing or proposed use of the property must be consistent with any working strategies adopted for the business's location.

APPLICATION PROCESS

The applicant must meet all standard underwriting criteria and must demonstrate that the proposed endeavor has a sound business plan with the following supporting materials:

- ✓ Description of the proposed project
- ✓ Business plan
- ✓ Itemized budget
- ✓ Itemized cost list of anticipated materials
- ✓ Verification of location use either through lease or ownership
- ✓ Business filings; status, incorporation info, and tax ID#s
- ✓ Financial statements: Personal, Business, and current Profit & Loss
- ✓ Signed credit report request form
- ✓ Three(3) years of financial projections
- ✓ Application fee \$450.00

Staff will review your completed applications and make a recommendation to the Commission on Community and Neighborhood Development (CCND), who has the final loan approval authority. CCND meets on a monthly basis.

A \$450.00 application fee is required before application can be processed.

Application may be obtained at the Department of Planning & Development in room 311 of City Hall, or online at NewBritainCT.gov.

