

City of Marengo

Revolving Loan Fund

*The City of Marengo has a
Revolving Loan Fund to
provide financial assistance
to new or expanding
businesses; to help develop
a stronger economic base;
and to expand job
opportunities,
thus securing public benefit
for all residents of Marengo*



Goals:

1. Assist new or existing businesses in the City to create and retain jobs.
2. Increase the City's property tax and/or sales tax base.
3. Provide businesses with the opportunity to expand.
4. Encourage loans to businesses from area financial institutions by providing supplementary financing.

Eligible Borrowers:

Any existing business that is located in the City of Marengo or any new business locating to the City of Marengo that create net new jobs or retain existing jobs.

Eligible Uses:

1. Construction of or addition to a building.
2. Renovation of an existing building.
3. Leasehold improvements.
4. Purchase of new or used machinery & equipment.
5. Working capital.

Job Requirements:

1. A minimum of two net new full-time equivalent (FTE) jobs must be created or retained.
2. Fifty-one percent (51%) of the net new jobs created or retained must be available to low-to-moderate income (LMI) individuals or households.

Loan Criteria:

Amount - Loans can range from \$30,000 to \$150,000 and are based on an eligibility of \$15,000 per FTE job created or retained and total loan cannot exceed 45% of total project cost.

Collateral - Must be secured with adequate collateral (will subordinate to bank if necessary).

Terms - Maximum 5 years. Rates will vary with the U.S. Treasury. Interest rates are typically less than traditional bank financing.

Guarantees - Personal guarantees of the principal will be required.

Repayment - Monthly payments of principal & interest will be required.

Fees - \$100 non-refundable application fee. Borrower will be responsible for any expenses incurred by the City, such as filing fees, document preparation, recording fees, etc.

Applications and information are available from local financial institutions or from the following:

Marengo City Administrator
132 East Prairie Street
Marengo IL 60152
(815) 568-7112
www.cityofmarengo.com

Marengo Economic Development Commission
116 South State Street
Marengo IL 60152
(815) 568-5105
edc@cityofmarengo.com

The above information is subject to change without notice.