

Resolution 05-010

A Resolution for Clay County, Georgia to establish Guidelines for the County managed Revolving Loan fund.

WHEREAS, the Clay County Board of Commissioners desires to encourage business growth in Clay County;

WHEREAS, Clay County recognizes the need for standard guidelines for approving applications for loan funds which it administers ;

WHEREAS, Clay County has established and defined minimum standards and requirements for loan funds;

NOW THEREFORE BE IT RESOLVED, the Clay County Board of Commissioners does hereby adopt the following Guidelines for Clay County Revolving Loan Program

Guidelines for Clay County Revolving Loan Program

1. When loan funds are available, an advertisement will be published in the local organ and other local newspapers.
2. Applicants will be required to submit a minimum three-year business plan. Business loans over \$50,000 may be required to submit a five-year business plan. Assistance in preparing business plans may be provided through Lower Chattahoochee Regional Development Center and the Small Business Association. The County will not assist applicants with the preparation of required documents so the County can remain impartial and unbiased in their decision-making.
3. Applicants shall submit the previous two years tax records either personal or business if pre-existing.
4. Terms: Loan terms may vary depending on the use and length of the funding being provided.

Equipment - Construction	7 to 10 years
Equipment – Industrial	5 to 7 years
Equipment – Small	2 to 3 years
Computers	1 year
Buildings	15 to 20 years

5. Rates shall be tied to prime.

Excellent Credit Rating	1% over prime
Good Credit Rating	1.5% over prime
Risky Credit Rating	2 to 3% over prime

6. No applicant who has had a bankruptcy either business or personal in the last three years will be considered an acceptable applicant.

7. Collateral may be required. The Commission will take a second position on land only. Any loan requiring a UCC to be filed will not be allowed to carry a second with the County.

8. Equity: Applicants may be required to have matching funds (cash) on a pro rata basis of the loan requested.

For example: Loan - \$30,000 Cash: 10% or \$3,000

10. A Credit report will be pulled on the applicants.

11. On an annual basis, applicant must submit to the Commission the following reports:
 Total number of employees at year-end and change +/- employees
 Report on competition
 Report on economic conditions pertaining to business

PASSED AND ADOPTED after first and only reading this 1st day of November 2005.

COUNTY OF CLAY, STATE OF GEORGIA

BY: _____

Chairman, Gerald Von Anderson III

David Shivers

Daniel Giles

Barry Waters

Willie McCoy

CLERK'S CERTIFICATE

I, the undersigned Clerk of the Board of Commissioners of Clay County, keeper of the records and seal thereof, hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Board of Commissioners of Clay County in public meeting assembled on November 1, 2005, the original of which resolution has been entered in the official records of said political subdivision under my supervision and is in my official possession, custody and control.

Teresa Smith, County Clerk