



Town of Carbondale Revolving Loan Fund

Enhancing the Ability of Business Owners to Secure Necessary Capital

The Town of Carbondale (Town) developed the Revolving Loan Fund (RLF) to enhance the ability of business owners to secure the necessary capital to finance start-ups, operations, or expansion. In addition to providing access to capital, the RLF is designed to help stimulate job creation and retention. Loans are available to new or established businesses or organizations that are located within the town limits of the Town of Carbondale.

PROCESS: Contact Colin Laird, Third Street Center (colin@thirdstreetcenter.net / 970-963-3221 x3), or go to the Town's [website](#) to obtain a loan application and submit the complete loan package by email to colin@thirdstreetcenter.net. Once it is complete, the application will be submitted to the Town of Carbondale Loan Review Committee for review. The loan approval process takes approximately four weeks after a completed application is received.

CRITERIA: Loan proceeds may be used for business reasons, including real estate acquisition, construction, and equipment. Funds cannot be used for the refinancing of existing debt. Applications will be considered on the basis of the character of the applicant, the applicant's capacity to repay the loan, collateral and/or other sources of capital, and conditions affecting the applicant's ability to repay the loan.

APPLICATION: The application will include financial and background information, including financial statements, financial projections, and a business plan.

LOAN AMOUNT: The guideline for the amount to be requested is \$5,000 to \$25,000.

INTEREST RATE: The interest rate will depend on several factors such as the type of collateral, financial strength of the applicant, and the overall risk. Fixed rates of interest will range from 3% to 10%.

MATURITY: The term of each loan will depend on repayment capabilities and the purpose of the loan. Repayment may be monthly, quarterly, lump sum, or some other method. It is anticipated that the term of each loan will not exceed 36 months.

FUNDS: The Town's renewed efforts to assist local businesses with low-interest loans received a boost from the U.S. Department of Agriculture Rural Development program in the form of a \$50,000 grant. Now, the fund is able to provide a minimum of \$100,000 in loans to for-profit businesses, with additional funds available to Carbondale non-profit businesses.

CONTACT:

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