



Application Information

City of Bozeman

Economic Development

Revolving Loan Fund

The City of Bozeman Economic Development Revolving Loan Fund has been established through the repayment of Economic Development funds loaned to local businesses from grants obtained from the Montana Department of Commerce. These funds will be loaned to local businesses for the purpose of furthering economic development in the Bozeman jurisdictional area.

The City of Bozeman has contracted with Gallatin Development Corporation for the administration of the fund. Completed applications should be returned to:

Gallatin Development Corporation
222 East Main Street, Suite 102
Bozeman, MT 59715

Eligible Activities

Priority will be given to those businesses engaged in basic economic activities (50% or more of the gross revenues are derived from outside Gallatin County) that provide quality jobs. The cost per job to be created or retained must not exceed **\$20,000 per job**.

Typical eligible activities include: land acquisition; public facilities and other improvements such as water and sewer lines and access roads specific to the project; loans for acquisition, construction, rehabilitation, expansion, or installation of commercial and industrial buildings, facilities, or equipment; or working capital; and employee training. The funds may also be used as a match to other funding sources, as long as they are contingent upon approval of the other funding source.

Eligible Applicants

Applicant business must be located within the Bozeman jurisdictional area. All applicants should discuss their project with the staff of Gallatin Development Corporation prior to submittal of an application. The applicant must provide all information as requested in the application form, including a business plan, financial information, employment projections, and the source, use and terms of all funds.

Loan Terms

The maximum loan amount granted to any one project shall generally not exceed **\$250,000**. The Revolving Loan Fund amount must be matched on a **1:1** basis from another source, i.e. private funds, bank loan, SBA, other grants, etc. The term, interest rate, and repayment of the loan shall be determined after review of the application and shall be based on the project needs. In no case will the minimum allowable interest rate be less than 5%. All loans must be secured with a personal guarantee and any other reasonable source of available collateral.

Application Review

Applications will be reviewed by the Economic Development Loan Review Committee within 30 days of the receipt of a completed application. Within 15 days of completion of the review of the application, the Committee will provide a written report of their recommendation for determining project eligibility to the Bozeman City Commission. If the recommendation is supportive of a loan, the Committee will suggest the term and interest rate of the loan. The report will be made at a regular meeting of the City Commission, with a notice of the City's scheduled review of the application published in a newspaper of general circulation in the Bozeman area not less than seven (7) days prior to the meeting. **Confidential information, such as financial data, will not be made available for public review.**

Application will be reviewed on the following criteria:

- The need for Economic Development Revolving Loan Fund assistance and the feasibility of the project.
- Experience and qualifications of the management team.
- The company's growth potential and resultant community impact.
- Degree of leverage with other investment, including public and private sources.
- Commitment to provide quality jobs. Quality jobs are defined as those where the combination of wages, benefits and workplace environment contribute to a productive and satisfying work experience for employees.
- The cost per job created or retained.
- Increased tax base.

The Bozeman City Commission will make the final determination on all projects. If there is not an adequate balance in the fund to finance an application, the Commission may conditionally commit the available funds to a project, as well as enough future funds to adequately support the project.