

**CLEARWATER ECONOMIC DEVELOPMENT AUTHORITY  
SMALL REVOLVING LOAN PROGRAM  
PROGRAM DESCRIPTION & GUIDLINES**

**GENERAL:**

1. **Purpose:** The primary purpose of the program is to preserve and promote the vitality of the Clearwater business community, promote new or retain existing jobs and businesses, preserve existing business buildings in energy efficient and visually appealing manner.
2. **Eligible Applicants:** All retailers, wholesalers, manufacturers, and service businesses would be eligible for the assistance program. Generally, businesses falling within the SBA's definition of a small business would be eligible for assistance. Applicant must have been in business for a minimum of one year, be in good standing, and have a valid business license with the City of Clearwater with no unpaid property taxes to qualify for the program. All applicants will be subject to a business reference check.
3. **Ineligible Applicants:** Any use, which the Economic Development Authority Board and the City Council, in its sole discretion, determines as not being beneficial to the interest of the City of Clearwater, will be ineligible for assistance under this program. Applicants may be disqualified based on prior history of delinquent loan payments to the City of Clearwater and/or Clearwater EDA.
4. **Eligible Locations:** All properly zoned locations for businesses within the municipal boundaries of the City of Clearwater would be eligible.
5. **Eligible Activities:** Expansion of existing business, purchase of equipment, inventory, working capital, rehabilitation of existing building, or other type of financial assistance will be considered as eligible projects for assistance. The funds are not to be used for refinancing, interim financing or speculative purchases.
6. **Program Priority:** The funds available for loans under this program will be utilized on a first come, first serve basis.
7. **Approval Authority:** The items above are guidelines to be followed by the Clearwater EDA Board and the City Council in administering the Clearwater EDA Revolving Loan Fund, from which the Clearwater EDA Board and City Council may deviate when such course of action is deemed necessary, prudent, and to be in the best interest of the City of Clearwater. The City Council will make all final decisions with regard to approval or disapproval of applications for funds under this program. Any changes to this policy must be approved by the Clearwater EDA and City Council.
8. **Loan Restrictions & Requirements:** The maximum amount of funds any applicant will be eligible to borrow will be limited to \$2,500. The interest rate for all loans will be prime +2% with a maximum term of 36 months. The borrower will be required to provide a statement summarizing the use of the loan proceeds within 90 days of the loan closing date. The statement must include a list of equipment with serial numbers and model numbers. Loan funds must be secured by collateral. Items may include the following: liens on real property personally and in business, (mortgage deed) liens on real property held personally (subject to City Council approval), machinery and equipment liens, personal and/or corporate guarantees. In the case of nonpayment, the loan will be turned over to the City Attorney for collection.