



***BURLINGTON COUNTY BRIDGE COMMISSION
BURLINGTON COUNTY
NEW JERSEY***

SMALL BUSINESS LOAN PROGRAM
*RESOURCES FOR STARTING AND GROWING YOUR
SMALL BUSINESS*

June 5, 2019

WHO ARE WE?

- Burlington County Bridge Commission
- In 2002 the BCBC was granted **economic development** and **improvement authority** powers
- June, 2010 the functions of the Department of Economic Development & Regional Planning were assumed by the BCBC.
- The Department of Economic Development and Regional Planning is responsible for administering the Revolving Loan Fund program of the County.
- The result of this effort was the creation of an agency with strengths in working with local government and lending to public and private sectors.
- The Commission is now Burlington County's agent for economic development and regional planning.

WHAT DO WE DO?

- We provide loans to business for creating and/or retaining jobs in the county especially for low and moderate-income individuals.
- Provide entrepreneurial opportunities for qualified individuals
- Stimulate neighborhood commercial revitalization
- Stimulate balanced development
- Provide sector investment in physical plant and equipment for local small business
- Leverage state and private sector funds to the maximum extent possible, so as to increase the availability of funds for local small business

WHAT PROGRAMS DO WE OFFER?

- Small Business Revolving Loan Fund Program
 - Funds received from the USEDA Purpose is to create jobs and support small businesses
 - Purpose is to create jobs and support small businesses
 - Will fund start-ups and entrepreneurs

SMALL BUSINESS REVOLVING LOAN FUND PROGRAM

- Business can be located anywhere within Burlington County
 - 1.) Direct Loan
 - 2.) Fixed Asset Loan

DIRECT LOAN

LOAN AMOUNT

Maximum amount is \$50,000.00

MAXIMUM TERM

10 years

PARTICIPATION

No Bank required

FIXED ASSET LOAN

(Bank required)

LOAN AMOUNT

25% of the total project costs

MAXIMUM TERM:

10 years

PARTICIPATION

Burlington County will participate for a percentage (up to 25%) of the total project cost not to exceed \$200,000.00

INTEREST RATE

Small Business Revolving Loan Fund

Seventy-five percent of Prime

Prime Rate x 75% = Interest Rate

Current (12/20/19): 5.50% x 75% = 4.125%

Burlington County Small Business Loan interest rate capped at 4%

Rate is fixed at time of application with \$200 application fee

REQUIREMENTS

- **Job creation**-1 full-time or 2 part-time for every \$35,000.00 funded; \$10,000 for every job retained
- 10% equity contribution
- 3-year cash flow projections
- Loan application with all supporting/loan specific documentation
- Lien on business real estate
- Lien on personal real estate
- Uniform Commercial Code Lien on business property
- Corporate Guaranty
- Personal Guaranty

EXAMPLE OF LOAN APPLICATION REQUIREMENTS

- Completed, sign and dated application with Exhibits
- Resumes for all business principals
- 3 years signed personal federal and state income tax returns
- 3 years business financial statements
- 3 years signed business federal and state income tax returns
- 3 year pro forma cash-flow projections
- Corporation, Partnership or LLC papers filed with the SoNJ
- Corporate Charter and bylaws, Partnership Agreement or LLC Management Agreement

Additional documents as stated within the loan application

COLLATERAL

RESIDENTIAL OR COMMERCIAL REAL ESTATE

- Copy of title insurance policy
- Copy of survey
- Current appraisal or current market analysis
- Name and address of all persons that have an ownership interest
- Name and address of all persons that reside on the property and their interests
- Agreement of sale, if applicable
- Phase I environmental assessment (if applicable)
- Additional information as warranted

**BURLINGTON COUNTY, NEW JERSEY BUSINESS LOAN PROGRAMS
BURLINGTON COUNTY BOARD OF CHOSEN FREEHOLDERS AND
BURLINGTON COUNTY BRIDGE COMMISSION**

Loan Program	Small Business Loan Fixed Asset Loan	Small Business Loan Direct Loan
Loan Type	Gap Financing	Primary Loan
Interest Rate	75% of prime rate fixed at time of application (Capped at 4%)	75% of prime rate fixed at time of application (Capped at 4%)
Application Fee	\$200.00 with application; non-refundable	\$200.00 with application; non-refundable
Loan Amount	25% of project cost with maximum of \$200,000	Maximum \$50,000
Purpose of Loan	Fixed assets and working capital; to create and retain jobs; no construction	Fixed assets and working capital; to create and retain jobs; no construction
Length of Term	10-year maximum; participating bank to determine its term	10-year maximum
Collateral	Required; County subordination to participating bank; Lien on business real estate; UCC lien on business property; Corporate guaranty; Personal guaranty; lien on personal real estate when warranted	Required; Lien on business or personal real estate; UCC lien on business property; Corporate guaranty; Personal guaranty
Borrower's Equity	10% minimum	10% minimum
Out-of-Pocket Expenses	Title search, title insurance, appraisal, environmental study, land survey, etc.	Title search, title insurance, appraisal, environmental study, land survey, etc.
Participating Bank	Required	Not required
Jobs-To-Be-Created and/or retained	Required within 18 months - 1 new job/\$35,000 lent borrower; 1 retained job/\$10,000 lent; 2 part-time jobs =1 full-time job	Required within 18 months -1 new job/\$35,000 lent borrower; 1 retained job/\$10,000 lent; 2 part-time jobs =1 full-time job

For further information and/or loan applications, please visit our web site:
<http://www.bcbridges.org/EconomicDevelopment/FinancialResourcesPrograms>
Z:\Economic\loan programs\loan programs Q & A\Loan Program Comparison Chart 04.1.18

www.bcbridges.org

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