



Dane County
Community Development Block Grant Program
Microenterprise Business Loan
Application

Office of Economic Development
210 Martin Luther King, Jr. Blvd.,
Room 421
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The goal of the Microenterprise business Loan (MBL) program is to create jobs for County residents by supporting County businesses. The objective is to offset costs for small businesses and microenterprises located in Dane County to add these jobs.

1. APPLICANT CONTACT INFORMATION

DATE: 4/1/2018

Business owner names: Squashington Farm

Mailing address: 9921 Barton Rd. Mount Horeb, WI 53572

E-mail address: squashingtonfarm@gmail.com Phone: (920) 422-1042

2. BUSINESS INFORMATION

Business name: Squashington Farm

Business address: 9921 Barton Rd. Mount Horeb, WI 53572

Business phone: (920) 422-1042 Website: www.squashingtonfarm.com

Business License #: _____ Business Start Date: 2016

Organizational Structure: ☒ LLC ☐ S Corp. ☐ Sole Proprietorship ☐ Corporation
☐ Not Yet Established ☐ Other: _____

Business' EIN (or if Sole Proprietorship only, provide the primary owner's SSN): 81-1418324

DUNS #: 081174387. [The DUNS # is required for all federally funded programs. Obtaining a DUNS number is a free, simple, one-time activity. Obtain one by calling **1-866-705-5711** or by applying online at <http://www.dunandbradstreet.com>.]

3. ELIGIBILITY REQUIREMENTS

a. In order to be eligible for this loan program the business must meet ALL of the following criteria:

- ☐ The business must be physically located within Dane County outside the City of Madison.
- ☐ The business must have five or fewer employees, including the owner. Number of employees: 2 (owners)
- ☐ The business must have been established within the last five years or be ready to start within six months.
- ☐ This program requires you to create at least **one full-time job** for a low- or moderate-income (LMI) County resident. Number of New Jobs: 1-2 [See #5 for details on what qualifies as a LMI Job.]

b. In order to be eligible for this loan program the business owner must have:

- ☐ Graduated from a microenterprise or a small business development course or training program within 24 months of the application date:

- ☐ City of Madison "Market Ready" program;
- ☐ Wisconsin Women's Business Initiative Corporation (WWBIC) coursework;
- ☐ UW-Madison Small Business Development Center (SBDC) coursework or training;
- ☐ Other- applicant must submit course syllabus or training agenda along with evidence of successful completion with the application and that must be approved by the CDBG Commission.

Completion date: _____ 09/21/2017 _____.

- ☐ Held a pre-application advising session with the OED staff regarding the business and loan application.
Advising Date(s): _____.

- c. Does any business owner have any personal/business judgments, unsettled lawsuits, major disputes, or tax liens against you/them or pending against you/them? ☒ No ☐ Yes *If YES, please describe in attachment.*
- d. Has the business, or any principles of the business, been involved in bankruptcy or insolvency proceedings? ☒ No ☐ Yes *If YES, please describe in attachment.*
- e. Are there any delinquent taxes (local, state, federal, etc.) or payments owed to municipal utilities (sewer, water) by the applicant business and/or any of its owners? ☒ No ☐ Yes *If YES, please describe in attachment.*
- f. Are you currently compliant with all applicable local, state, and federal zoning, permits, and other regulations regarding the operation of your business? ☐ No ☒ Yes *If NO, please describe in attachment.*

4. PROJECT EXPENSES AND FINANCING INFORMATION

CDBG LOAN REQUEST: \$8,000 (The maximum loan amount is \$8,000.)

- a. Provide a description of the proposed project.

Squashington Farm would use these funds to put towards capital investments like new tractor attachments and cultivating implements, as well as operating overhead costs like business insurance. Several proposed purchases will improve either the quality of our products, the amount of product we can grow, or both. Please see the project budget for more details.

- b. Calculate and explain all expenses the loan will pay for (expenses should correspond to Project Budget in Question #7). Include justification for expenses to be paid with the loan.

An estimate for expenses totals \$7,277. With an added 10% contingency, the total expenses are \$8,005. For a more detailed budget, please see attached documents.

- c. Explain how the loan funds will be used and the importance of this loan to the success of your business.

We have budgeted the loan to cover new investments that will help our business grow like the power harrow and tractor implements as well as covering additional costs that we might not have purchased unless we received this grant like extra heavy-duty row cover and insect netting for crop protection. Each of these purchases are a financial burden to us each year, and with the help of this loan, that burden will be lessened. Purchasing things that might have been out of our budget without the loan will lead to increased profits will better our business for many years to come, like the flail mower, greens harvester, and Jang seeder. Everything in our budget makes our farm more manageable, and likely, more profitable.

- d. Total of other grant or loans received for business (if any): \$ 0
Describe source and purpose of other grant or loans:

e. List all other funding sources (including personal funds) and describe below: \$ _____ 26,600 _____
 Squashington Farm Business account: \$17,700
 Sarah's Account: \$5,500
 Pat's Account: \$3,400

5. JOB CREATION

The business must create **at least one full-time job** or equivalent to be held by or made available to* low- or moderate-income (LMI) County residents or formerly unemployed residents and may include the business owner's job if business owner qualifies as LMI. If more than one job is created, then at least 51 percent of the jobs must be held by or made available to* LMI residents, defined by HUD as residents earning less than 80% of the area median income by household size. (See current income guidelines the Job Creation Self Certification Form.)

*Jobs are considered to be "*made available to*" LMI persons when:

- The job does not require special skills that can only be acquired with substantial (i.e., one year or more) training or work experience or education beyond a high school education.
- Dane County and the assisted business take actions to ensure that LMI residents receive first consideration for filling such jobs.

Please select one of the following:

- ☒ I am eligible for this program because as a new business owner, I am creating a full-time job for myself and I qualify as a LMI County resident per the current HUD income limits. (Complete the LMI Job Certification form.)
- ☐ I do not qualify as a LMI resident but I will create at least one job to be held by or available to LMI persons within 12 months of the loan agreement date. **(Each new employee will need to complete the attached LMI Job Certification form and you will be required to submit a Job Creation Report that collects demographic data on new hires. This info is not collected until the position is filled.)**

Current Number of Employees (including working owners): Full Time 2 Part Time _____

Job Creation Table

| Job Title | LMI position? (Y/N) | Hours/week (all positions) | Hours/week (LMI positions only) | % of jobs available to LMI |
|--|------------------------|-------------------------------|------------------------------------|--|
| Owner | y | 50-70 | 50-70 | (LMI positions created/ Total positions created) |
| Owner | y | 50-70 | 50-70 | |
| | | | | |
| | | | | |
| Total hours/week: | | 100-150 | 100-150 | |
| FTE positions created (based on 40 hrs/week): | | 2.5 – 3.75 | 2.5 – 3.75 | 100% |

Number of NEW full-time equivalent (FTE) jobs to be created: 2

Number of NEW FTE jobs to be created that will be held by or made available to LMI residents: 2

Anticipated Hire Date(s): ASAP Do the new jobs include the owners' job? **YES** NO

6. LOAN FORGIVENESS

There are two ways a business may qualify for loan forgiveness.

1. Business operates in Food and Agricultural sector.

Agriculture is an important component of the Dane County economy. To support this sector and attract new entrants, Dane County is offering loan forgiveness to qualifying businesses working in the food and agricultural sector. Applicant must indicate and explain how business qualifies as a food and agricultural business.

2. Business creates at least one (1) additional job.

Non-food and agricultural businesses that create at least two (2) total full-time equivalent (FTE) jobs may qualify for loan forgiveness.

LMI business owner + 1 LMI employee

IF the business is eligible for the MBL program because, as a new business owner, he/she is creating a job for self and qualifies as an LMI resident of the Dane County Consortium, **THEN** one additional FTE job created and filled by a person of LMI is required for loan forgiveness.

Non-LMI business owner + 2 LMI employees

IF the business is eligible for the MBL program because business owner is not LMI but is creating a new job that will be filled by an LMI resident (or is receiving MBL funding but for other reasons the business does not qualify as a microenterprise business), **THEN** a second FTE job created and filled by a person of LMI is required for loan forgiveness.

To qualify for forgiveness, the business must create the agreed upon positions and retain those positions for at least one year. The earliest a business may receive forgiveness is 24 months from the date of the executed loan agreement. The loan must be in good standing with all reporting and programmatic requirements to be considered for loan forgiveness. A final determination of loan forgiveness eligibility will be made by the CDBG Commission prior to loan closing.

Are you applying for loan forgiveness? Yes X No If Yes, please explain how you qualify:

Squashington Farm would qualify for loan forgiveness under both stipulations- we are an agriculturally-based business because we are a farm, and both of our positions qualify as LMI positions.

7. SUPPORTING DOCUMENTATION TO SUBMIT WITH APPLICATION

- a. Business Plan
- b. Resume of each business owner
- c. One year financial projections and annual operating budget (existing businesses); OR start-up cash-flow projections and annual operating budget (start-ups)
- d. Project Budget. Include documentation of costs or expenses to be paid with the CDBG loan (such as leases, utilities, quotes/estimates, etc.)

8. ASSURANCES AND SIGNATURES

I understand and by signing agree: that all information I have provided in this application is true and correct to the best of my knowledge. I agree to notify County staff promptly in writing upon any material change in the information provided herein. County staff is authorized to make such inquiries, as staff deems necessary and appropriate to verify the accuracy of this application.

Applicant Signature

Date

Applicant Signature

Date