



## City of Salisbury Downtown Revolving Loan Information & Application

### About the Program

The purpose of the City of Salisbury Revolving Loan Fund is to promote economic growth and revitalization in Downtown Salisbury. In support of Salisbury's downtown revitalization efforts, this program will provide low interest loans for infrastructure improvements to business owners interested in expanding, relocating, or starting a new business in Downtown Salisbury. This program will also help preserve the interior and exterior structure of many historic facilities located in Downtown Salisbury. Ultimately, increasing Salisbury's tax base and bringing desired goods and services to downtown residents. A map of the target areas for this program is on the map listed below (Exhibit 1).

### The Process

1. A qualified applicant completes the Revolving Loan Application with all required paperwork to the Business Development Specialist with the City of Salisbury (125 North Division Street, Room 104 Salisbury, MD 21801). The Business Development Specialist will thoroughly review the materials submitted, consult with all City department heads to make sure all obligations have been fulfilled, and forward a complete application to the Assistant City Administrator for review.
2. The Assistant City Administrator will review applications with the Bankers Review Committee in the order in which they are received. Additional documentation and a personal interview may be required at the discretion of the Banker's Review Committee.
3. The Bankers Review Committee will make a written recommendation according to the following program guidelines, contribution to Downtown development, terms and loan amount, and the credit worthiness of the applicant according to the generally accepted standards in the financial service industry.
4. The Assistant City Administrator will notify the applicant in writing of the preliminary loan terms subject to final approval by City Council. The applicant must sign and return the Preliminary Approval Worksheet back to the Assistant City Administrator.
5. Next, the signed Preliminary Approval Worksheet is forwarded to City Council for review and approval. Attendance at a Council work session and legislative session may be required. A majority vote of the Council members present and voting provided there is a quorum to approve the scheduled agenda items.
6. Applicant is notified of City Council decision
7. The Assistant City Administrator will schedule a meeting with the City Attorney and revolving loan applicant to close the loan.



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Program Guidelines

- Additional consideration is given to applicants who provide additional jobs, needed goods and services to the community, or generate additional tax revenue to the City.
- M&T Bank on behalf of the City of Salisbury services all revolving loans.
- The City Attorney will conduct the settlement of the loan. The Borrower is responsible for all closing costs for the loan (i.e. legal fees, recordation fees, appraisals, etc.)
- The City Council reserves the right to evaluate each case on its own merits, and to maintain some flexibility in loan terms. This latitude is given in recognition of the fact that the purpose of the fund is to provide an incentive for businesses to locate or expand in downtown Salisbury.
- The amount of the loan will be determined on a case by case basis, based on the nature of the project and on the amount of funds available. In all cases, individual loans will be limited to a maximum of \$50,000, or up to one third of the cost of the project; **whichever is less.**
- Interest rates will be set, as of the day of the loan approval, on the less than 10 year long term composite rate published daily by the U.S. Treasury plus 1% and will be fixed for the term of the loan.
- The term of the loan will be 3, 5 or 7 years based on standard lending procedures and will be subject to the recommendations of the Banker's Review Committee. Factors to be considered are the purpose of the loan, and the security provided by the loan. The Banker's Committee will take into consideration that a greater public purpose will be served by expeditious repayment of the loans in order to lend the repaid funds to other qualified applicants.
- It is the goal of this program to take action upon each application within 45 days after receipt of all required information. Once the available funds have been loaned, application will be held on file without evaluation and the applicants will be so notified.
- Upon occurrence of an Event of Default hereunder, the City of Salisbury, in its sole discretion, will provide written notification to the borrower of the default. If not resolved within 30 days, the City may: (a) declare the entire outstanding principal amount, together with all accrued interest and all other sums due under this Note to be immediately due and payable, and the same shall thereupon become immediately due and payable without further presentment, demand or notice; (b) terminate any outstanding commitments of the City to the Borrower; (c) exercise its rights to confess judgment against the Borrower, and (d) exercise any and all rights, powers, and remedies provided for in the Loan Documents or now or hereafter existing at law, in equity, by statute or otherwise. The above is a synopsis of the default conditions that are included in the loan documents.
- The Bankers' Review Committee will review the loan-to-value ratio of the applicant and consider projects that are collateralized up to 100%, but not over. The City may consider a subordinate position behind a traditional bank lender or consider taking liens on other assets owned by the applicant, whether the applicant is an owner or a tenant.



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- All applications are considered without regard to race, color, religion, sex, national origin, age, marital status, or physical or mental disability (provided applicants have the ability to enter into a legal contract).
- The City Council reserves the right to amend these regulations at any time. In the event that the City Council determines the purposes for which the loan has been created has been successfully accomplished or for any other reason it deems necessary, the City Council may close this revolving loan fund and use the funds for another governmental purpose.

### Eligibility

- A loan may be provided to a qualified property owner, or with written approval of the property owner, a qualified commercial tenant
- Loan funds may be used for professional engineering and architectural assistance, renovation of exteriors and interiors of buildings and the purchase or renovation of equipment or machinery in the target area (as designated in Exhibit 1)

### Ineligible Projects

- Loan funds may **NOT** be used for startup costs, working capital, refinancing fees, access streets and road, parking areas, utility and service extensions, activities not be permitted by local ordinances, or activities inconsistent with the Historic District Commission guidelines.
- All infrastructure improvement projects not compliant with City, County, and State licensure and permitting requirements will experience delays up to and including cancellation for non-compliance. Please review Exhibit 2, the “Salisbury-Wicomico Development Agency Checklist” for general guidelines on which entities may have to be contacted.

Revised: 7/11/17

Submit Application to:

Director of Business Development – City of Salisbury

110 North Division Street

Salisbury, MD 21801

410-677-1915 | [info@citylivingsalisbury.com](mailto:info@citylivingsalisbury.com)

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Application Checklist

Before submitting your application, please review this checklist below

<input type="checkbox"/>	Revolving Loan Application
<input type="checkbox"/>	Personal and company financial statement
<input type="checkbox"/>	Start up business plan with three year's pro forma projections
<input type="checkbox"/>	Personal and company tax returns for the past two years
<input type="checkbox"/>	Evidence of any personal current financial investment into project
<input type="checkbox"/>	Conceptual design illustration & detailed description
<input type="checkbox"/>	Project timeline
<input type="checkbox"/>	Three written cost estimates of proposed project costs
<input type="checkbox"/>	Copy of Lease & written approval from Landlord
<input type="checkbox"/>	Evidence that the Historic District Commission has approved the concept plan
<input type="checkbox"/>	Articles of Incorporation
<input type="checkbox"/>	Credit report dated no more than 1 month prior to Application submission

Office Use Only:

Received by: \_\_\_\_\_

Date & Time Received: \_\_\_\_\_

Banker's Review Committee Meeting Date & Time: \_\_\_\_\_

Approved: Yes  No  Other:

\_\_\_\_\_



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Applicant Information

	Applicant	Co-Applicant
Name of Applicant(s):		
Home Address:		
Office Number:		
Home Number:		
Cell Number:		
Fax Number:		
E-Mail Address:		
Taxpayer I.D. Number:		

Business Information

This Loan is Being Requested for the Following General Purpose (check one)

<input type="checkbox"/>	To provide funds for a new business in Salisbury
<input type="checkbox"/>	To provide funds for the expansion and/or renovation of an existing business in Salisbury
Name of Existing Business or Proposed New Business:	
Legal Entity Name & Organization Type: Attach a copy of articles of incorporation or partnership agreement, if applicable. (For all partners or corporate officers, attach a list of the names, addresses, telephone numbers, social security numbers, and percent of ownership)	
Describe the nature of the business and describe the product(s) and/or services offered:	
Desired Open Date:	
Does you have experience in this type of business? <span style="float: right;">Yes <input type="checkbox"/> No <input type="checkbox"/></span>	
If yes, please indicate nature of said experience or attach a resume for review:	

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Property Information

Address of Existing Business or Proposed New Business:				
Does Business Owner Lease or Own the Building		<input type="checkbox"/> Lease	<input type="checkbox"/> Own	<input type="checkbox"/> Other
If other is selected, please explain:				
Property Owner(s) Name:	Owner		Co-Owner	
Property Owner(s) Address:				
Property Owner(s) Phone #:				
Number of Stories:			Ground Floor Square Feet:	
			Total Building Square Feet:	
Assessed Market Value:				
Approved Market Value:				
# of Residential Units in Building:				

Project Information

Description of Financed Project Details:	
Have you received necessary approvals from City departments?	
Building, Permits, and Inspections:	Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable <input type="checkbox"/>
Public Works:	Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable <input type="checkbox"/>
Planning and Zoning:	Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable <input type="checkbox"/>

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<b>Total Project Cost:</b>	\$
<b>Applicant Personal Investment:</b> (provide confirmation of personal investment)	\$
<b>Other Committed Project Financing:</b> (provide confirmation of financing)	\$
<b>Requested Revolving Loan Amount:</b> (may only be up to \$50,000 or 1/3 of the project, whichever is less)	\$

Historic District Commission	Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable <input type="checkbox"/>
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Please briefly explain how assisting business or proposed new business would benefit the City, including the provision of needed services:	
Proposed number of new jobs created	
Within six months of opening or expansion:	
Within two to four years:	
In the space below, please offer any additional information or justification for the requested assistance:	
What is the expected complete time for this project once funds are approved?	

Please provide a timeline of your proposed project with specific milestones you anticipate reaching

Date	Milestone



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**Certification**

By signing below, the applicant states that prospective employees will be considered without regards to race, sex, age, national origin, or religion.

I hereby affirm that all information included on this form is true and accurate to the best of my knowledge and I hereby authorize the City of Salisbury or its agent to obtain credit-reporting information for purposes of loan evaluation.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Printed Name

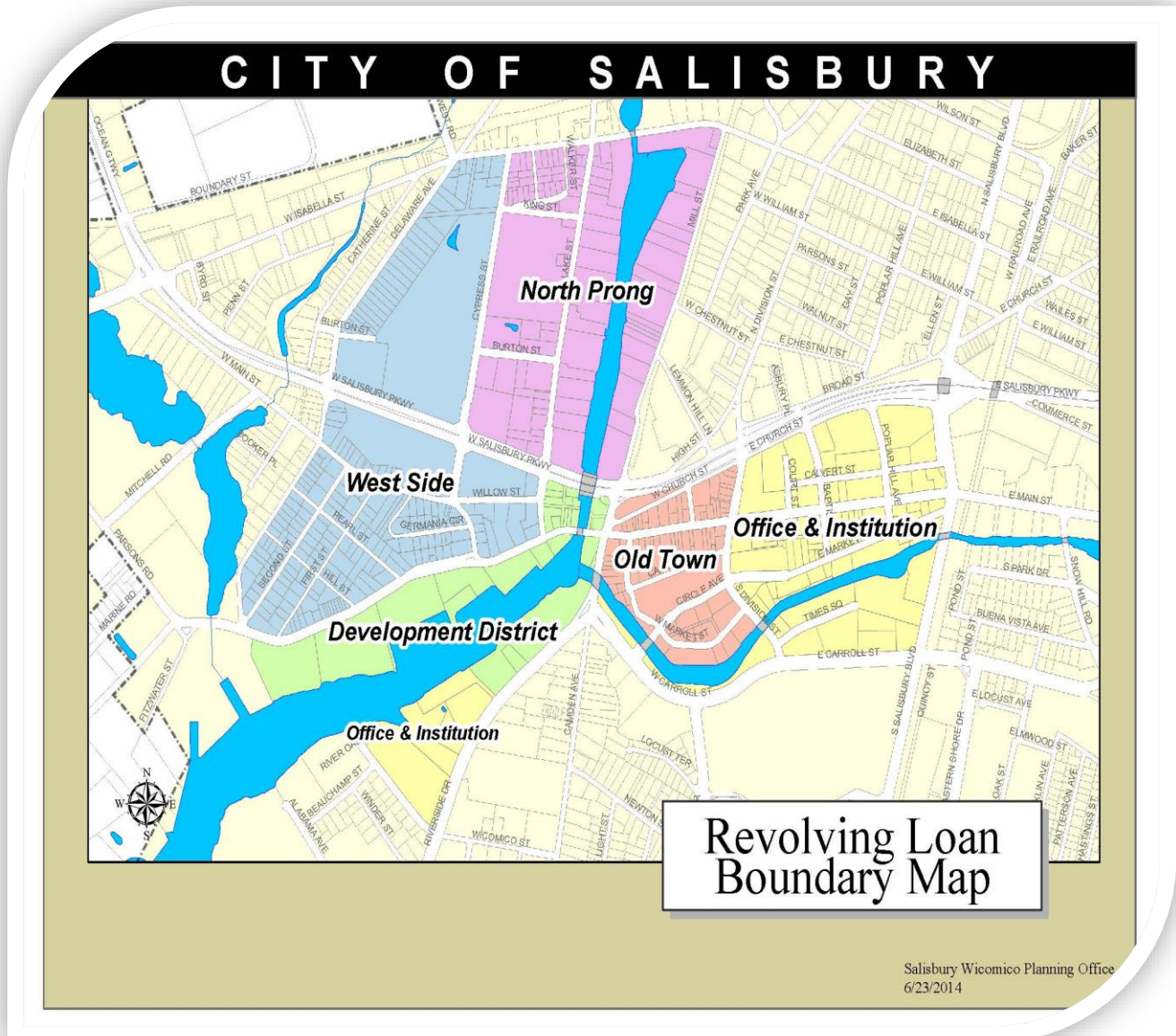
How did you hear about this opportunity?





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Exhibit 1:



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Personal Financial Statement

This is  An individual statement.  A joint statement. All assets and liabilities listed in this statement are joint unless otherwise indicated.

Person 1:

Name	Address	Phone
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Person 2:

Name	Address	Phone
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**Authorization.** I authorize the City of Salisbury, Maryland to request and review all data you deem appropriate about me, including credit reports from agencies, now and for all future reviews, extensions, or renewals of credit extended to me or others or for collection of loans. Upon request, you will tell me if a credit report was requested, and, if so the name and address of the credit-reporting agency furnishing the credit report. To request the information, I should call or write your office to which I am submitting this application.

**Ownership of Assets.** I am sole owner of all assets listed in this statement. Except as disclosed in this statement, no one else has any interest in or claim on these assets, and none of the assets listed has been assigned, pledged, or mortgaged.

**Certification and Reliance.** I certify that the information herein is complete and true as of the date opposite my signature, or as of \_\_\_\_/\_\_\_\_/\_\_\_\_. I understand that the City of Salisbury may rely upon this information from time to time in extending credit to others or myself and may continue to so rely until (i) I notify the City of Salisbury in writing of any material adverse change in such information; or (ii) the City of Salisbury is provided with new financial statements. I will promptly notify the City of Salisbury in writing of any material adverse change in (i) any information contained herein or a financial statement supplied to the City of Salisbury in the future; or (ii) my financial condition.

**All Amounts Due.** If I owe the City of Salisbury any debt, they have the right to call for immediate payment of that debt if (i) I become insolvent, bankrupt, incompetent or die or go out of business; (ii) anything contained in this financial statement is false; (iii) I break any written promise I make to the City of Salisbury; or (iv) a change occurs that the City of Salisbury reasonably believes may materially affect my ability to pay any such debt.



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**BY SIGNING BELOW, I (any principle or guarantor) EXPRESSLY PERMIT THE CITY OF SALISBURY TO SHARE WITH THE MAYOR, CITY COUNCIL, CITY SOLICITOR, AND/OR THE BANKERS REVIEW COMMITTEE ANY AND ALL OF MY PERSONAL FINANCIAL INFORMATION OBTAINED IN CONNECTION WITH THIS TRANSACTION, INCLUDING ANY INDIVIDUAL CONSUMER CREDIT REPORT OBTAINED NOW OR IN THE FUTURE. I UNDERSTAND THAT I AM NOT REQUIRED TO AUTHORIZE THE SHARING OF SUCH INFORMATION IN ORDER TO OBTAIN CREDIT OR OTHERWISE TRANSACT BUSINESS WITH THE CITY OF SALISBURY.**

\_\_\_\_\_  
Borrower's Signature

Date: \_\_\_\_\_ 20\_\_

\_\_\_\_\_  
Co-Borrower's Signature

Date: \_\_\_\_\_ 20\_\_

**Notwithstanding any provision to the contrary above, I do not authorize the City of Salisbury to share my personal information with the Mayor, City Council, City Solicitor, and/or the Bankers Review Committee, other than information the City of Salisbury may share as otherwise provided by law.**



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<b>BORROWER - ASSETS</b>		<b>BORROWER - LIABILITES</b>	
Cash on hand and in Banks (Schedule 1)	\$	Notes Payable to Banks (Schedule 5)	\$
Cash Value of Life Insurance (Schedule 2)		Loans on Cash Value of Life Ins. (Schedule 2)	
Stocks and Bonds – at market (Schedule 3)		Notes Payable to Others (Schedule 5)	
Real Estate – at market (Schedule 4)		Mortgages Payable (Schedule 4)	
Autos and Trucks		Charge Accounts and Bills Payable (Schedule 6)	
Accounts or Notes Receivable			
Other Assets (Itemize)		Other Liabilities (Itemize)	
<b>Total Assets</b>	<b>\$</b>	<b>Total Liabilities</b>	<b>\$</b>
		Net Worth (Total Assets Minus Total Liabilities)	
		<b>Total Liabilities and Net Worth</b>	<b>\$</b>

<b>CO-BORROWER - ASSETS</b>		<b>CO-BORROWER - LIABILITES</b>	
Cash on hand and in Banks (Schedule 1)	\$	Notes Payable to Banks (Schedule 5)	\$
Cash Value of Life Insurance (Schedule 2)		Loans on Cash Value of Life Ins. (Schedule 2)	
Stocks and Bonds – at market (Schedule 3)		Notes Payable to Others (Schedule 5)	
Real Estate – at market (Schedule 4)		Mortgages Payable (Schedule 4)	
Autos and Trucks		Charge Accounts and Bills Payable (Schedule 6)	
Accounts or Notes Receivable			
Other Assets (Itemize)		Other Liabilities (Itemize)	
<b>Total Assets</b>	<b>\$</b>	<b>Total Liabilities</b>	<b>\$</b>
		Net Worth (Total Assets Minus Total Liabilities)	
		<b>Total Liabilities and Net Worth</b>	<b>\$</b>

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INCOME INFORMATION			PERSONAL INFORMATION		
	Borrower	Co-Borrower		Borrower	Co-Borrower
Gross Salary – Annual			Date of Birth		
Bonus			Social Security Number		
Rental Income			Have you ever filed bankruptcy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Dividend or Investment Income			Are you a defendant in any legal action?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Other income (income from alimony, child support or separate maintenance need not be revealed if you do not choose to rely upon such income in applying for credit.)			Do you endorse, guaranty, or co-sign any loan not listed above? (Schedule 7)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			Are you under indictment, on probation or parole or ever been convicted for a criminal offense?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Total Income	\$	\$	Are any of your taxes past due?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No



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Attach additional schedules if necessary

<b>Schedule 1 CASH ON HANDS &amp; IN BANKS</b>				
Name of Bank	Type of Account	Maturity (if any)	Assigned to (if any)	Amount
				\$
<b>Total:</b>				<b>\$</b>

<b>Schedule 2 CASH VALUE OF LIFE INSURANCE</b>					
Face Amount	Name of Insurance Company	Beneficiary	Loans on Cash Value of Life Insurance	Assigned to (if any)	Cash Value
\$			\$		\$
<b>Total:</b>			<b>\$</b>	<b>Total</b>	<b>\$</b>

<b>Schedule 3 STOCKS &amp; BONDS</b>				
No. of Shares	Description	Owner(s) of Record	Assigned to (if any)	Market Value
				\$
<b>Total:</b>				<b>\$</b>



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<b>Schedule 4</b>		<b>REAL ESTATE</b>					
Location and Property Use	Owner(s) of Record	Year Acquired	Cost	Mortgage Balance	Held By	Monthly Payment	Market Value
<b>Total:</b>				<b>\$</b>	<b>Total:</b>		<b>\$</b>

<b>Schedule 5</b>		<b>NOTES PAYABLE TO BANKS &amp; OTHERS</b>				
Name of Creditor	Type of Note	Monthly Payment	Maturity	Secured By	Endorsed or Guaranteed by	Present Balance
<b>Total:</b>						<b>\$</b>

<b>Schedule 6</b>		<b>CHARGE ACCOUNTS &amp; BILLS PAYABLE (list only amounts over \$500)</b>		
Owed to	Type of Account	Monthly Payment	Secured by	Present Balance
<b>Total:</b>				<b>\$</b>

<b>Schedule 7</b>		<b>LOANS ENDORSED, GUARANTEED OR CO-SIGNED</b>		
Name of Borrower	Type of Loan	How obligated (endorser guarantor or co-signer)	Secured by	Present Balance
<b>Total:</b>				<b>\$</b>

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