

Hometown Business Preservation Initiative

Creating a Revolving Loan Program

Office of
**COMMUNITY &
RURAL AFFAIRS**

In partnership with the Purdue Center for Regional Development and The Ohio State University

This instructional program will guide community leadership on how to sustain a Revolving Loan Fund which can provide necessary loans to small businesses based on community needs. As local, state or federal funds become available, they may be placed in the community revolving loan account to then lend to identified businesses.

Interested? Here are the next steps:

- Register for and attend one of the HBPI 2.0 Introductory Webinars;
- Complete and submit the online application form by Friday, Feb. 11, 2022;
- Selected communities will participate in three 90 minute interactive webinars;
- To receive the full benefit of the program, at least two members of the RLF committee should plan to attend each interactive webinar; and
- Participate in the one hour online session.

Partners for this program include:



Eligible Applicants



City, county, or incorporated town; economic development corporations, main street organizations, chambers of commerce, and community foundations.

What is the process?

Virtual training and technical assistance will be provided to participants on the following topics: Fostering Agility, Grant Writing and Sustainability.

Topics covered include:

- How to be actively involved with businesses for real-time advice and support;
- How to share best practices and tips;
- How to discuss business surveys and how to review the data identifying new needs and opportunities;
- How to identify potential funders;
- How to write effective grant proposals;
- How to navigate the grant process;
- How to strategically market the revolving loan fund; and
- How to prepare a succession plan.

**Consult your Community Liaison
for more information**



@IndianaOCRA

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Primary Administrator

Primary functions:

- Point of contact for loan applications & documentation
- Liaison between clients and Loan Review Committee
- Prepares loan files for Committee Review and legal due diligence (loan processing)
- Schedules Loan Review Committee meetings and closings

Other functions may include:

- Disburses funds
- Receives payments (loan servicing)
- Retains records
- Oversees fund account
- Prepares periodic reports of RLF to Committee

Loan Review Committee

A mix of 5 to 7 public, nonprofit and private organizations, including the Primary Administrator. Possible members include:

- Municipality representative
- Chamber of Commerce organization
- Economic Development Association
- Attorney or law firm
- Financial Institution
- CPA Firm, accountant, financial advisor
- Small Business Development Center representative

Serves as the governing body with such duties as:

- Participate in board meetings
- Establish guidelines and processes
- Review and assess loans
- Approve & deny loans (as a committee)
- Engage in timely consultations with clients
- Conduct program & metric evaluations

