



BURLINGTON REVOLVING LOAN PROGRAM APPLICATION

INTRODUCTION

The City of Burlington has set aside \$400,000 for a revolving loan fund whose primary objective is to **support locally-owned businesses** that were disproportionately impacted by the COVID-19 pandemic, with particular focus on **black, indigenous, and people of color (BIPOC) and other underserved businesses (defined as those owned by women, LGBTQA+, veterans, and persons with disabilities)**. The fund will provide much needed access to **no-interest** capital designed to stimulate small business growth and help Burlington's unbanked populations start and grow their businesses.

Loans through the Burlington Revolving Loan Program (BRLP) will range in size from **\$10,000 to \$40,000** for terms of up to 5 years, and applicants must use these funds for businesses **within the City of Burlington**. Applications will be accepted on a rolling basis until the funds are depleted. Loan repayments will revolve and be loaned out to new borrowers in perpetuity.

REQUIREMENTS

Applicants and their businesses must meet the following criteria to be eligible for the loan:

- **The place of business must be within the City of Burlington.** This is defined as brick-and-mortar businesses in Burlington, home-based businesses in Burlington, or businesses who operate in Burlington for the majority of the year (whether a business qualifies as a Burlington business will be determined by the loan review committee)
- Applicants must be **current on taxes and terms** of existing City financial assistance.
- Applicants must be a **registered business** with the State of Vermont.
- **Loans may only be used** for working capital, inventory, equipment, rent, furniture, and fixtures.
- **Loans may NOT be used** to support national brands, refinance existing debt, or support a business in the industries of firearms and cannabis or liquor stores and smoke shops.

In addition to the eligibility requirements listed above, an application fee of \$25 is required along with your application, and if selected for a loan, an administrative fee of 2% of the total loan amount will also be required at closing.

APPLICATION PROCESS

The BRLP application process takes place in two stages: **Part I** and **Part II**. Prior to applying we recommend you reach out to the Community and Economic Development Office team at business@burlingtonvt.gov to set up a time to review the process.

Part I. During Part I, applicants will fill out the application provided in the following pages to provide information about themselves and their businesses in order to assist the City in determining eligibility and

alignment with the mission of BRLP. Applications will be scored based on the following criteria:

- Impacts the BIPOC Community – Business is owned by or positively impacts BIPOC community members.
- Impacts Underserved Communities – Business is owned by women, LGBTQA+, veterans, or persons with disabilities or business positively impacts these communities.
- Geography – Business is located within or near Burlington's Neighborhood Revitalization Strategy Area ([view map](#)).
- Sustainability – Business addresses environmental sustainability or incorporates environmental sustainability considerations into its operations.
- Impact and Innovation – Business positively impacts Burlington community with jobs, affordable goods or services and/or is innovative.
- Commitment – Owner demonstrates commitment to start-up and growth.
- Feasibility – Proposed loan use is thought-out, detailed, and achievable.

Part II. If applicants score well on mission alignment in Part I, they will be invited to complete Part II of the application to provide the financial information required for the loan underwriting process. You can find a list of required documents for Part II in the application checklist below.

APPLICATION CHECKLIST

Please use the following checklist to ensure your applications for Part I and Part II are complete.

Part I

- ☐ Loan Application (see form starting on next page)
- ☐ Application fee, \$25 payable by check to the City of Burlington, CEDO. Please include in the memo that this is for the BRLP application fee.
- ☐ Proof of Vermont Business Registration
- ☐ Business plan narrative, pitch deck, or business model canvas

Part II *(Do not provide this information unless requested by the Community and Economic Development Office team. You will be notified if you should proceed to Part II of the application process.)*

- ☐ Complete financial workbook including personal financial statement, business balance sheet, profit and loss, and cash flow projections (template in Excel will be provided).
- ☐ Last year's personal tax return
- ☐ Previous business tax returns (2 years if available) Please note this may replace the historic profit and loss included in the template.

For any questions about the BRLP application, please contact the team at the Community and Economic Development Office at business@burlingtonvt.gov.

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PART I – BRLP APPLICATION

The information provided in this application is confidential and intended only for internal use by the City of Burlington to evaluate eligibility and mission alignment for the Burlington Revolving Loan Program.

Please refer to the **glossary of terms on page 7** for questions about any terms you see in the application, and do not hesitate to reach out with questions and concerns to the Community and Economic Development Office at business@burlingtonvt.gov.

INFORMATION ABOUT YOU:

Legal Name: _____ Preferred Name: _____ Pronouns: _____

Primary Phone: _____ Secondary Phone: _____ Email: _____

Address: _____ City: _____ State: _____

Zip: _____ Personal Residence is: ☐ Owned ☐ Rented

Number of people in your household: _____ Adjusted Gross Income: \$ _____
(Please see the Glossary for the definition of household) (Please Refer to your Tax Returns)

INFORMATION ABOUT YOUR BUSINESS:

Name of Business: _____ Doing Business As: _____

Business Address: _____ City: _____ State: _____ Zip: _____

County: _____ Website: _____ E-mail: _____

_____ Date Est.: _____ ☐ Sole Proprietorship ☐ Partnership ☐ LLC ☐ S Corp ☐ C Corp

☐ Co-op ☐ L3C ☐ Other _____

Are you the sole owner of your business? ☐ Yes ☐ No

If you answered no, please provide ownership structure below:

Owner 1 (you) _____% Owner 2 _____% Owner 3 _____%

Employees (incl. yourself): _____ Full Time _____ Part Time _____

Is your business the sole source of household income: ☐ Yes ☐ No Please list other sources/ amounts of income:

<u>Source</u>	<u>Amount</u>
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_____	_____
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_____	_____
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Is your business fewer than twelve months (one year) old? ☐ Yes ☐ No

Do you have a Business Advisor? ☐ Yes ☐ No Advisor Name: _____

If you answered "No", are you interested in working with a business advisor or consultant at no cost to you?

☐ Yes ☐ No

Have you participated in any business development training, courses, or other technical assistance? If so please list the program you participated in and the organization.

Are you a member of any business association? ☐Yes ☐No Association Name: _____

Do you give us permission to reach out to your business advisor and/or organization you have worked with?
☐Yes ☐No

Do you have written or email evidence of being denied a loan within the past 12 months? ☐Yes ☐No
If you answered "Yes" please include it with your application materials (*this information will not impact your eligibility for a loan, rather it is one way for us to know if applicants haven't been able to access traditional capital*).

Have you ever received a business loan for **any** business that you have owned? ☐Yes ☐No

Loan Amount: \$ _____

Loan Amount: \$ _____

If you answer yes to either of the below questions,

1. Have you or any officers of your company ever been involved in bankruptcy or insolvency proceedings?
☐Yes ☐No
2. Are you or your business involved in any pending lawsuits? ☐Yes ☐No

DEMOGRAPHIC INFORMATION: Please circle all that apply. For businesses with more than two owners please share the demographics of additional owners at the bottom of this sheet.

Owner 1 (applicant)

Gender:

Woman
Man
Transgender
Non-binary
Non-conforming
Other: _____

Sexual Orientation

Asexual
Bisexual
Pansexual
Gay
Lesbian
Heterosexual
Queer
Other: _____

Race/Ethnicity:

Asian
Black or African American
Middle Eastern/North African
Native American/Alaskan Native
Native Hawaiian
Pacific Islander or Other White
Hispanic or Latino/a
White
Other: _____

Veteran Status:

Veteran
Non-Veteran

Owner 2 (if applicable)

Gender:

Woman
Man
Transgender
Non-binary
Non-conforming
Other: _____

Sexual Orientation

Asexual
Bisexual
Pansexual
Gay
Lesbian
Heterosexual
Queer
Other: _____

Race/Ethnicity:

Asian
Black or African American
Middle Eastern/North African
Native American/Alaskan Native
Native Hawaiian
Pacific Islander or Other White
Hispanic or Latino/a
White
Other: _____

Veteran Status:

Veteran
Non-Veteran

Do you have a registered disability? ☐Yes ☐No ☐Do not wish to declare

BUSINESS DESCRIPTION AND MISSION Please answer the following questions in the spaces provided below. Answers should not exceed 200 words.

1. Please describe what you sell/are planning to sell or what services you provide/are planning to provide, **to whom**, and **where**.
2. If you were open during 2020 through 2021, please describe how your business was impacted by the COVID-19 pandemic.
3. Please describe how your business impacts or will impact underserved community members in Burlington (i.e. BIPOC, LGBTQA+, veterans, persons with disabilities, women). Please feel free to describe ownership, customers, employees, geography, goods and services, etc.
4. Please describe how your business contributes/will contribute toward the environmental sustainability of Burlington (for example, use of efficient equipment like solar and electric, or practices such as composting and use of compostable/recyclable serveware).

5. Please describe how your business impacts/will impact the Burlington community (jobs created/retained, filling business gaps) and/or how your business demonstrates/will demonstrate innovation.

USE OF LOAN Please answer the following questions in the space provided below. Answers should not exceed 200 words.

Loan Amount Requested: \$_____

Requested Loan Term: **3 years** **5 years** **7 years**

1. Please describe how you intend to use the loan, how this loan will help your business, and how you determined that the amount you requested is the appropriate amount of money for the intended use.

I attest that, to the best of my knowledge, all information included in this application is accurate and complete.

Applicant Signature	Today's Date	Date of Birth
Applicant Signature	Today's Date	Date of Birth

Glossary of Terms

Adjusted Gross Income (AGI): The income you report which is subject to income tax, minus qualifying adjustments. This calculation can be found on **line 37** of your IRS Form 1040.

Amortization: The established schedule for paying off financed debt over time through regular payments. It is based on the interest rate and term of a loan, and shows the amount of each payment put towards principal and interest.

Asset: An item of positive economic value owned by a person or company. These span many categories and could be tangible (land, car, equipment, inventory) or non-tangible items (intellectual property). Assets can be used as collateral to secure a loan in case your business cannot repay the loan.

Balance Sheet: A financial statement that summarizes the assets and liabilities of a business or organization at a particular point in time. The difference between total assets and total liabilities is known as the "equity" or "net worth" of a company.

Business Advisor: Provides direct business advisory services in the research and development of business plans, marketing plans, financial modeling, and related business development requirements. They also offer expertise on best practices and financial management, methods, techniques, and tools.

Credit Card: A card issued by a financial institution which lets you borrow funds from a pre-approved limit to pay for goods and services. The credit limit is decided by the institution issuing the card, and is based on your credit score and history.

Full-time equivalent employee (FTE): A full-time job is a job that has at least 30 hours in a work week. One full-time job with at least 30 hours in a work week equals one FTE.

Gross Revenue: The total amount of income generated by the sale of goods or services related to the company's primary operations before deducting expenses (cost of goods or overhead, etc.)

Household: A household includes the taxpayer(s) and any individuals who are claimed as dependents on one federal income tax return. A household may include a spouse and/or dependent that are related or unrelated.

Interest Rate: The percentage of a loan balance paid to the lender as part of your monthly payment. It is shown as a percentage (%) and is the cost of taking out a loan.

Liabilities: A financial obligation or debt that needs to be paid back.

Maturity Date: Date on which any remaining funds owed on financed debt (loan, line of credit)

becomes due.

Net Revenue: The total amount of income minus expenses.

Personal Net Worth: A rough measurement of an individual's wealth. This is calculated by adding everything of value that an individual owns and subtracting out everything that an individual owes.

Profit & Loss Statement: A financial statement that summarizes the revenues and expenses incurred during a specified period, usually a fiscal year or quarter.

Subsidiaries/Affiliates: A company whose "parent" or "holding" company is a majority shareholder that owns more than 50% of all the subsidiary company's shares. An affiliate is described as a company with a parent company that only possesses a minority (less than 50%) stake in the ownership of the affiliate.