

from the SCTBAF will be determined on a case by case basis based upon the strength of an applicant's cash flow projections, available capital, level of job creation, wages, plus other factors contained in their business plan. Recipients will provide a personal guarantee and secure the loan with equipment and/or other available assets. An acceptable credit history is also important. The borrower will pay any out-of-pocket loan costs and an origination fee of 1.5% due at closing.

Building/Site Qualifications - All buildings and/or sites must be approved by the Six County Economic Development District prior to SCTBAF participation. Owners of the building and/or site will:

- Agree to terms and conditions in advance.
- Hold the SCEDD, LAB, SCAOG, SBDC, their boards, staff, county commissions, mayors, special interest representatives, and county economic development administrators harmless.
- Provide a match as determined by the SCTBAF.

REGULATIONS

Administration - The SCEDD, in affiliation with the SCAOG, is responsible for the financial administration of the SCTBAF, while the SBDC provides business support services. The Six County Technical Committee, in which the SBDC has representation, and Six County Loan Administration Board reviews and approves applications as directed by the SCEDD.

Other - Other regulations governing the SCTBAF program are:

- A single audit is to be conducted yearly.
- Project funding requires at least a two (2) week drawdown period.
- The SCTBAF program adheres to all Equal Employment Opportunity (EEO) guidelines.
- Copies of receipts and payment checks for expenditures during the 1st six months of this loan are required for submission to certify funding.

For more information and details in applying for the SCTBAF contact the economic development professional serving your county.

Juab County Economic Development

160 North Main - Nephi, Utah 84648
Phone: (435) 623-3400

Millard County Economic Development

P.O. Box 854 - Delta, Utah 84624
Phone: (435) 864-1406

Piute County Economic Development

P.O. Box 99, Junction, Utah 84740
Phone: (435) 577-2949

Sanpete County Economic Development

191 North Main, Manti, Utah 84642
Phone: (435) 835-4321

Sevier County Economic Development

250 North Main - Richfield, Utah 84701
Phone: (435) 893-0454

Wayne County Economic Development

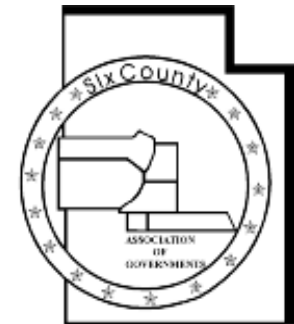
P.O. Box 189 - Loa, Utah 84747
Phone: (435) 836-1315

Six County Economic Development Office

P.O. Box 820 - Richfield, Utah 84701
Phone: (435) 896-9222, ext. 35

Six County

TARGETED
BUSINESS
ASSISTANCE
FUND



Six County
Economic Development

SIX COUNTY TARGETED BUSINESS ASSISTANCE FUND

In September 1994 the Six County Economic Development District (SCEDD), in association with Six County Association of Governments (SCAOG) was granted funds from the "Rural Community Assessment and Demonstration Program (RCAD)." The purpose of the grant was and is to develop a program that will encourage start-up businesses to utilize vacant buildings or targeted locations.

This program is known as the Six County Targeted Business Assistance Fund (SCTBAF). This brochure contains the Scope of Work, Guidelines, and Regulations for this program.

SCOPE OF WORK

Traditional programs require the utilization of a conventional building or space. In rural areas travel becomes a major factor for start-up or expanding businesses. The requirement of a single location or space becomes very difficult in establishing a successful program which serves the entire region. In addition, a conventional type structure may not meet the needs of certain businesses. Also, most local elected officials will not commit to real estate investment due to the liabilities and expenses associated with ownership. Several prime industrial sites in addition to vacant commercial and industrial buildings exist in the Six County Region.

Vacant structures deteriorate the longer they remain empty. Once dilapidated, they become liabilities rather than assets. Most industrial sites

require the establishment of driveways, parking lots, drainage, etc. Incidental costs associated with these developments often inhibit start-up or expansion opportunities.

By providing incentives, many entrepreneurs can start or expand their business, create jobs, and be encouraged to utilize vacant existing buildings or targeted industrial sites.

The RCAD funds helped establish the SCTBAF program which provides these incentives. Structures or sites approved for this program serve as a business incubator for the county in which they are located.

GUIDELINES

The SCTBAF program is a business incubator and serves as an incentive to encourage start-up or expanding businesses to utilize vacant existing buildings or targeted industrial sites. The following are administrative goals to ensure the success of the program:

- SCTBAF encourages the use of existing vacant buildings or an industrial site targeted by the county for development.
- The program maintains flexibility of funding making it easy to utilize.
- Repayment of funds from recipients is expected.
- A match is required of:
 1. Building and/or property owners.
 2. Recipients of the SCTBAF.
- The SCTBAF serves as a carrot to encourage start-up or expanding businesses only.
- The program requires the participant's business plan to be reviewed by the Small Business Development Center.

- The target amount of SCTBAF participation is \$10,000 maximum per project.
- The SCTBAF program targets projects with the potential of providing family sustaining wages and long term employment.

SCTBAF may be utilized for, but not limited to the following:

- Structural improvements, provided the owner of such structure waives payment for rent, utilities, etc. for a period of time and/or other arrangements agreeable to all parties.
- Costs associated with site preparation and development, provided these costs are deducted from asking price of the property and matched by the property owners as agreed upon by the Six County Loan Administration Board (LAB).
- Rent.
- Utility connection fees.
- Costs associated with utilities, telephones, computers, Fax machines, etc.
- The time frame for use of SCTBAF resources is based on financial strength as determined by the Six County Loan Administration Board.

Loan recipients are encouraged in, but not limited to, the following business classifications:

1. Light manufacturing.
2. Services.
3. Distribution.

TERMS AND CONDITIONS

Upon LAB approval, each recipient will enter into a contract with the Six County Economic Development District. Terms and conditions of loans