



SOUTH DAKOTA
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

**Governor's Office of Economic Development
(GOED) Financing Application**

GOED provides support staff and acts as a servicing agent for the South Dakota Board of Economic Development ("BED") and the South Dakota Economic Development Finance Authority ("EDFA"). GOED also administers other grant and loan programs not under the supervision of any board or similar entity.

BED administers the Revolving Economic and Initiative Fund ("REDI Fund"). EDFA administers the pooled bond loan program.

INSTRUCTIONS

Please type or print clearly. Be sure to fill in each blank and answer each question. If not applicable, mark N/A and explain. If there is not enough room in a section, use the additional page at the end of the form and indicate the section you are adding. If you need to leave the form before it has been completed, print the pages you have completed before closing because you cannot save your work in Adobe.

Please circle loan programs applying for:

REDI Fund REDI-Housing EDFA Bond Loan Program South Dakota WORKS

SECTION 1. APPLICANT INFORMATION

Name of Applicant Business: _____

Operating Entity (if applicable): _____

Affiliated Businesses: _____

Company Contact: _____

Business Address: _____

City/State/Zip Code: _____ **County:** _____

Business Telephone: _____ **Fax Number:** _____

E-Mail Address: _____ **Website Address:** _____

Name of Individual Completing This Form: _____

Company Affiliation: _____

Telephone: _____

Employer's Identification Number

Federal: _____ **State:** _____

NAICS Codes: _____ **Fiscal Year End:** _____

If the NAICS Code and/or employer's identification number for this project is different from the numbers for the firm listed, please complete the following:

Employer's Identification # Federal: _____ State: _____

If an expansion is occurring at a site other than the main office, please list address.

Expansion Address: _____

The Company is a:

- | | |
|-----------------------|------------------------------------|
| Sole Proprietorship | S-Corporation |
| Partnership | C-Corporation |
| LLC | Non-Profit Development Corporation |
| LLP | For-Profit Development Corporation |
| Other (specify) _____ | |

Date Applicant Business Established in South Dakota: _____

Date Applicant Business Established Out of South Dakota: _____

State of Incorporation: _____

Primary Business Activity:

- | | | |
|---------|-----------|-----------------------|
| Retail | Wholesale | Manufacturing |
| Service | Housing | Other (specify) _____ |

Business Description:

Brief History of Company:

Plant/Office Location(s)

of Employees

Major Stockholders, Partners or Proprietors:

(Provide most recent year-end personal financial statement on each principal owner (owning more than 10 percent) or guarantor, or the most recent personal Federal income tax returns (previous three years) for each principal. Please provide details of all existing personal debt. Attach resumes for each principal owner, guarantor, and management personnel of company.)

Name	Ownership %	Address and Phone Number	Social Security Number

Identify personal and corporate guarantors and other collateral for this loan:

Management Information

(List all the officers, directors or general partners.)

Name	Title	Address & Phone Number	Social Security Number

Provide an organizational chart of the company showing key positions and functions.

Indicate officer salaries and number of officers for past three fiscal years:

FY 20 ____: officer salaries were \$ ____ \$ _____ for _____ officers.

FY 20 ____: officer salaries were \$ ____ \$ _____ for _____ officers.

FY 20 ____: officer salaries were \$ ____ \$ _____ for _____ officers.

Interim ____ months: officer salaries were \$ ____ \$ _____ for _____ officers.

Banks Where Business Accounts are Maintained:

Primary Lender Information

Institution Name	City/State	Phone #	Type of Account	90 Day Average Balance (obtain from bank)

Working (Operating Line) - NOTE: *If applying for REDI Housing, please specify if there will be new operating line established for project.*

Limit	Based On	Current Balance
_____	_____	_____
_____	_____	_____
_____	_____	_____

Present Business References:

Name	City/State	Phone #
_____	_____	_____
_____	_____	_____
_____	_____	_____

Business Consultants

Your Attorney:

Name: _____ Address: _____
 Telephone: _____ Years of Affiliation: _____

Your Accountant:

Name: _____ Address: _____
 Telephone: _____ Years of Affiliation: _____

SECTION 2. PURPOSE OF THE LOAN

Description of the Project and Reason for the Loan:

The estimated date construction or acquisition will commence: _____

The estimated completion or acquisition and installation date: _____

Date by which the project will be fully operational: _____

Is the loan applicant the proposed occupant of the project: Yes No

If no, please state occupant: _____

Legal owner of project site(s) if other than applicant, and relationship to applicant:

Requested Sources of Financing: Please attach copies of letters of commitment for each source of permanent and interim financing. Letters should contain a description of items to be financed, credit analysis and work papers, the specific terms and conditions, and the proposed collateral position.

A. Source of Long-Term Financing (including GOED financing):

Name of Lending Institution	Contact Person	Phone Number	Address
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>	<hr/>

B. Sources and Uses of Funding

(GOED loan programs require a MINIMUM of 10 percent. The board may require a larger equity contribution.)

Source of Funds (please specify below)	Amount	Comments
GOED Financing		
Bank Financing		
Equity		
Other (please specify)		
Totals		

The following section should include all uses of funds, including the non-GOED sources of financing:

Uses of All Funds	Useful Life (in years)	Total Cost	Proposed Source	Proposed Collateral Position
<i>Fixed Assets:</i>				
Land Acquisition				
Land/Site Improvements				
Building				
Repairs/Renovations				
Construction				
Construction Fees				
Equipment & Installation				
Furniture & Fixtures				
Other Construction Costs				
Total Fixed Assets				
<i>Non Fixed Assets (these items ineligible for REDI and EDFAs Financing)</i>				
Uses of All Funds	Useful Life (in years)	Total Cost	Proposed Source	Proposed Collateral Position
Inventory				
Trade Receivables				
Work in progress Inventory				
Financing Fees				
Other Costs				
Total Non-Fixed Assets				

-----Please attach all Supporting Cost Documents. The cost of the project must be supported by firm construction bids, purchase options or contracts for the purchase of property.

For Multi-Family Housing Applications, please skip to Section 5.

For all other business applications, continue to Section 3.

SECTION 3. BUSINESS PLAN (NOTE: You may substitute a business plan for this section if available.)

Business Applicant Section: List your present and anticipated suppliers for the project. Include suppliers of equipment, supplies, utilities, freight, insurance, phone, accounting and legal services, advertising, rent and specific raw materials if the supplier provides or will provide more than 10 percent of COGS or operating expense. Be sure to include potential new suppliers due to the expansion.

Supplier	City, State Phone	Material/Service

List Your Present Major Customers (10 percent or more of sales or top five):

Name	City, State Phone	Product	(%) of Sales
Name	City, State	Product	% of Sales

List Your Present and Projected Principal Competitors (top five):

Name	City, State	Product	% of Market

SECTION 3a. MARKETING INFORMATION

1. Include your present major product lines which account for more than 10 percent of gross sales and any new products which may result from funding.

Product	% of Total Sales	-----CURRENT-----		-----PROJECTED-----	
		Production in SD (\$)	% Exported from SD	Production in SD (\$)	% Exported from SD

2. Describe the market that exists for your product or service and your ability to compete. Address your market share.

3. Describe your method of selling and distribution.

4. How do you price your product or service?

5. Where is your market heading? Describe the trend in the industry.

6. What are the most important factors affecting your ability to compete in the market place?

SECTION 4. EMPLOYMENT SUMMARY

Please indicate the company representative who should be contacted to follow up on the employment information:

Name: _____

Title: _____

Telephone: _____

PART 1: CURRENT EMPLOYMENT INFORMATION

(Please provide current employment levels as of the date of the application.)

	Total Number of Employees (in and out of SD)	Average Annual Hours	Total Numbers of Employees in SD	Average Annual Hours (SD Employees)
Full-Time				
Part-Time*				
Seasonal/Temporary**				

*Works less than 30 hours per week.

**Works only during peak season (please specify length of peak season _____ months).

Current South Dakota Employees Only (FULL TIME ONLY)

PLEASE USE HOURLY WAGES

	Wages Weighted			Number of Employees Receiving Wages			Total per class
	Low	Avg	High	Low	Avg	High	
Managers & Administration							
Professional & Technical							
Sales							
Clerical							
Service							
Production/Maintenance							
Total Employees							

CURRENT EMPLOYEE BENEFIT PACKAGE

1. Please provide a detailed listing of employer paid benefits.

2. Please provide a detailed description of all other benefits offered.

PART 2: PROJECTED EMPLOYMENT INFORMATION

South Dakota (only) employment projected to be created each year as a result of the GOED financing programs:

**PROJECTED NUMBER OF EMPLOYEES IN VARIOUS JOB CATEGORIES IN SOUTH DAKOTA
FULL-TIME EMPLOYEES ONLY**

	Current 20__	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Managers & Administrators							
Professional & Technical							
Sales							
Clerical							
Service							
Production/Maintenance							
Total Employees							

Total Annual Payroll:

Current: \$ _____

Year 3: \$ _____

Year 1: \$ _____

Year 4: \$ _____

Year 2: \$ _____

Year 5: \$ _____

PROJECTED EMPLOYEE BENEFIT PACKAGE (Please indicate if different than current package.)

1. Please provide a detailed listing of employer paid benefits.

2. Please provide a detailed description of all benefits offered.

PART 3: JOB DESCRIPTIONS

PLEASE COMPLETE OR ATTACH JOB DESCRIPTIONS. Please use specific job titles. Broad job titles are not acceptable. For example, “clerical” or “professional support” are not acceptable, but “typist,” “word process equipment” and “accountant” are acceptable titles. Please submit as much detailed information as possible on copies of the next few pages. Include only employees in South Dakota to be employed as a result of the state funding.

EXAMPLES:

A.) Job Title: Mechanical Engineer Category: Prof/Tech

Number of new employees who will have this job title in:
Year 1: 12 Year 2: 10 Year 3: 6 Year 4: 8 Year 5: 9 **Total:** 45

Job Description: *Will coordinate the complete product development and direction of the design of new products.*

Beginning Wage/Salary: \$31,000-\$34,000

Minimum Educational Requirements: *Masters Degree in Mechanical Engineering or equivalent.*

B.) Job Title: Machinist Category: Prod/Maint

Number of new employees who will have this job title in:
Year 1: 30 Year 2: 24 Year 3: 18 Year 4: 16 Year 5: 74 **Total:** 162

Job Description: *Machinists will machine individual parts, build and develop necessary fixtures and inspect parts ready for the assembly process.*

Beginning Wage/Salary: \$8.50 - \$10.50 per hour

Minimum Educational Requirements: *Completed training at a quantified trade or vocational school. Apprenticeship or experience necessary*

Please copy this page as necessary for additional job descriptions

Job Title: _____ Category: _____

Number of new employees who will have this job title in:
Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ **Total:** _____

Job Description:

Beginning Wage/Salary: _____

Minimum Educational Requirements:

Job Title: _____ Category: _____

Number of new employees who will have this job title in:

Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ **Total:** _____

Job Description:

Beginning Wage/Salary: _____

Minimum Educational Requirements:

Job Title: _____ Category: _____

Number of new employees who will have this job title in:

Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ **Total:** _____

Job Description:

Beginning Wage/Salary: _____

Minimum Educational Requirements:

Job Title: _____ Category: _____

Number of new employees who will have this job title in:

Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ **Total:** _____

Job Description:

Beginning Wage/Salary: _____

Minimum Educational Requirements:

For Multi-Family Housing Applications, please continue to Section 5.

For all other business applications, please skip to Section 6.

SECTION 5: HOUSING PROJECT DETAILS

Please describe your project, site information, building type and information, number of units, number of bedrooms, number of bathrooms, garage information, your market, rent information, vacancy rates, etc.

PART 1: PROJECT DETAILS:

A. Building Type

- 1. Total number of buildings in the project _____
- 2. Total number of units in the project _____
- 3. Number of units by bedroom type.
 0 Bdr _____ 1 Bdr _____ 2 Bdr _____ 3 Bdr _____ 4 Bdr _____
- 4. No. of Section 504 accessible units for the mobility impaired _____ and sensory impaired _____.
- 5. No. of employee-occupied or owner-occupied units _____.
- 6. No. of Parking Spaces (Including Garages) _____; No. of Garages _____.

B. Type of Multi-family Unit/s:

_____ Apartments _____ Townhomes _____ Duplex/Triplex/Quadriplex

C. Will support services be provided to the tenants? _____ Yes _____ No

If Yes, are they included in the rent? _____ Yes _____ No

Provide a description of the service(s) or special accommodations and letter of intent from service agencies, if applicable.

PART 2: SITE INFORMATION

A. Applicant controls site by (select one and attach document):*

- _____ Deed _____ Option (expiration date _____)
- _____ Purchase Contract (expiration date _____)
- _____ Long-term Lease (expiration date _____) _____ Other

**If more than one site for the project and more than one expected date of acquisition by Owner, please indicate and attach separate sheet specifying each site, number of existing buildings on the site, if any, and type of control for each site.*

B. Name of seller (if applicable): _____

Address: _____

City: _____ State: _____ Zip: _____

C. Is the property located and administered within the city limits? ___Yes ___No

D. Is site properly zoned? _____ Yes ___No
(If yes, include evidence of proper zoning)

If no, is site currently in the zoning process? _____ Yes _____ No

Provide details (including the month and year to be resolved): _____

E. Are all utilities presently available to the site? ___Yes ___No

If yes, include evidence of utility availability. If no, provide explanation, including dates, when all utilities will be available. _____

F. Has locality approved site plan? ___Yes ___No

If yes, include site plan approved by locality.

G. Has locality issued building permit? _____ Yes ___No

If yes, include building permit or documentation of status of approval.

H. Attached are the Architectural Plans and Specifications: _____% complete.

I. Are there any environmental issues related to the property? _____ Yes ___No
If yes, describe: _____

J. Legal description of the property that identifies it as the site in the site control document:

K. Provide a location map, showing location of the site relative to the surrounding area. Provide photographs of the site(s) and/or building(s). Immediately adjacent land uses:

1. North: _____
2. South: _____
3. East: _____
4. West: _____

PART 3: Project Financial Projections

Please complete the below information for your new housing development project.

Potential Gross Income less Vacancy Loss equals Effective Gross Income, less Operating Expenses equals Net Operating Income, less Debt Service equals Cash Flow. Project the cash flow annually for next.

Please use the following table to help with calculating average monthly income (AMI):

Rental Units:

Bdrm. Size	No. of Units (A)	Sq. Ft. Per Unit (B)	Total Sq. Ft. Per Unit = (A)*(B)	Gross Monthly Rent Per Unit (C)	Tenant Paid Utility (D)	Net Monthly Rent Per Unit (E) = (C)-(D)	Total Net Monthly Rent = (A)*(E)	% AMI for HOF or Market Tenant
Totals		XXXXXX X		XXXXX X	XXXXX X	XXXXXXXX		XXXXXXXX X

1. PROJECT INCOME:

TOTAL NET MONTHLY TENANT PAID RENT FOR ALL UNITS \$ _____
 Miscellaneous **MONTHLY** Income Related to Residential Use (vending, laundry, late fees, etc...):
 _____ \$ _____
 _____ \$ _____
 TOTAL MISCELLANEOUS MONTHLY INCOME \$ _____
 TOTAL ANNUAL MISCELLANEOUS RESIDENTIAL INCOME \$ _____
 (Total Miscellaneous Monthly Income *12)
 TOTAL ANNUAL NET TENANT PAID RENT FOR ALL UNITS \$ _____
 (Total Net Monthly Tenant Paid Rent *12)
 TOTAL ANNUAL INCOME \$ _____
 (NET TENANT PAID RENT + MISCELLANEOUS)
 TOTAL PROJECT INCOME \$ _____

Vacancy Allowance=7% \$ _____

2. ANNUAL OPERATING EXPENSES (Estimated as of the **end** of the first full year of operation); with copies of supporting documentation provided. **All** residential expenses must be broken out by line item. Category totals only **will not** be accepted.

ADMINISTRATIVE EXPENSES

- Advertising \$ _____
- Accounting/Audit _____
- Legal/Partnership _____
- Management Fee _____
- Management Salaries/Taxes _____
- Office Supplies/Telephone _____
- Other (specify) _____

TOTAL ADMINISTRATION EXPENSES \$ _____

MAINTENANCE EXPENSES

- Painting/Decorating/Cleaning \$ _____
- Elevator _____
- Exterminating _____
- Grounds (Inc. Snow Removal) _____
- Maintenance Salaries/Taxes _____
- Maintenance Supplies _____
- Repairs _____
- Other (specify) _____

TOTAL MAINTENANCE EXPENSES \$ _____

OPERATING EXPENSES

- Fuel Oil \$ _____
- Electrical _____
- Natural Gas or Propane _____
- Water & Sewer _____
- Trash Removal _____
- Other (specify) _____

TOTAL OPERATING EXPENSES \$ _____

FIXED EXPENSES

Real Estate Taxes \$ _____

In Lieu of Taxes _____

Insurance _____

Other Taxes, Fees, Licenses _____

Other (specify) _____

TOTAL FIXED EXPENSES \$ _____

TOTAL ANNUAL OPERATING EXPENSE \$ _____

ANNUAL OPERATING EXPENSE PER UNIT \$ _____

ANNUAL REPLACEMENT RESERVES PER UNIT \$ _____

NUMBER OF UNITS: _____

TOTAL ANNUAL OPERATING EXPENSES WITH RESERVES \$ _____

All Applicants: Please Continue.

SECTION 6. HISTORICAL FINANCIALS

Provide most recent three (3) year financial statements. At a minimum, this history must contain a balance sheet and income statement. Audited or reviewed financials are preferred, however, other statements may be acceptable. If applicant is a business newer than 3 years, provide all previous financials. Unaudited financial statements must be signed and dated by an authorized financial officer of the applicant business and details (terms, maturity, interest rate) must be provided on existing debt agreements. If unaudited financial statements are provided, also include federal tax returns for the previous three years.

SECTION 7. PROJECTED FINANCIAL STATEMENTS

Submit projected financial statements reflecting the performance of the applicant under the conditions for the term of the loan for the next three years. Projected financial statements must include: balance sheet, income statement, cash flow, and must be supported by notes and justifiable assumptions. Financial statements must also include a current debt schedule.

If you need assistance completing projections, contact the Small Business Development Center nearest you. A complete listing of the centers is provided in the back of this application.

SECTION 8. AFFILIATE STATEMENTS

Provide a listing of all affiliates, subsidiaries and companies with similar ownership along with the most recent year-end balance sheet and profit and loss statement of each.

SECTION 9. LITIGATION

Provide summaries of the current status of any legal proceeding, consent decrees, orders, investigations or suits against the applicant, any affiliates, guarantors and all principals with 10% or more ownership, which are currently pending or threatened or which concluded within the five years prior to the date of the application.

Has the company or principals (over 10 percent) ever been involved in any bankruptcy? Please explain.

SECTION 10. APPRAISALS

The board may require an appraisal of the project prior to loan closing and its conformance to values presented to the Board. An independent appraiser must be acceptable to the Board. Projects involving real estate will require proper title insurance and a survey at the borrower's expense.

SECTION 11. COMMUNITY IMPACT

Enclose a statement concerning how the project will benefit the community and impact on the tax base. Include any tax abatements of other tax or assessment waivers. *If this is a REDI-Housing application, please address workforce housing needs in this section. Additionally, please attach the required housing study.*

SECTION 12: HOUSING STUDY

Please attach the most recent housing study completed for the community and address any significant changes since the date of the study.

SECTION 13. BUSINESS ORGANIZATION DOCUMENTS

1. Articles of incorporation and bylaws, articles of organization and operating agreement or partnership agreement or other, similar documents as applicable for the applicant.
2. Statement of licensing needs.

3. Documentation that the preliminary design stage has been completed. For the purposes of this application, the term “preliminary design stage” means that portion of the project associated with market research studies identifying the project scope and need, compilation of the business plan, written initial cost estimates, written site options and description and the commitment of the regulated lender.

SECTION 14. LOAN PROCESSING FEE

Applicant hereby agrees that should this application be considered by the Board, a fee not to exceed one percent (1%) of the loan amount applied for may be assessed by the Board for any costs incurred, including, but not limited to staff time, filing/recording fees, and outside legal counsel. This fee may be waived by the loan program governing board and will not be imposed if the application is denied or not closed.

SECTION 15. MATERIAL ADVERSE CHANGE

By execution of this Application, the Applicant acknowledges and agrees that any commitment for a loan or grant issued as a result of this Application is subject to withdrawal in the event of a material adverse change in the Applicant’s financial condition or financial projections. The term “material adverse change” includes, but is not limited to, a bankruptcy filing by or against the Applicant.

SECTION 16. AUTHORIZATION FOR RELEASE OF FINANCIAL INFORMATION.

As a condition of consideration of this application and funding of any loan or other financial assistance contemplated hereby, Applicant must execute and provide to GOED the form of Authorization for Release of Financial Information accompanying this Application. As stated on the Authorization, it will remain in effect until the later of, as applicable, the date the GOED-administered loan has been paid in full (including any damages payable under the Employment Agreement signed by Applicant), the Applicant’s obligation to provide reports to GOED has ended or the entity providing the financial assistance no longer has the legal right to seek repayment from Applicant.

SECTION 17. CONFIDENTIALITY STATEMENT

South Dakota Codified Laws 1-16G-11(BED); 1-16B-14.1(EDFA);. **DOCUMENTARY MATERIAL CONSISTING OF TRADE SECRETS EXEMPT FROM DISCLOSURE** - Discussion of or action on trade secrets at meeting closed to public. Any documentary material or data made or received by the Board or the GOED for the purpose of furnishing assistance to a business, to the extent that such material or data consists of trade secrets or commercial or financial information regarding the operation of such business, may not be considered public records, and shall be exempt from disclosure pursuant to the provisions 1-16G-3 to 1-16G-11 inclusive. Any discussion, consideration of, or action upon such trade secrets or commercial or financial information by the Board may be done in executive session closed to the public, notwithstanding the provisions of the open meeting laws of this state.

Please NOTE that except in the case of applications to the Board of Economic Development, the name of the applicant, the location of the applicant, the loan amount and the number of jobs projected to be created are not confidential. In the case of applications to the Board of Economic Development, the fact that an application is pending may be kept confidential if requested by the applicant. In all cases, once an application is approved, the name of the borrower, the location of the borrower, the loan amount and the number of jobs created or projected to be created is not confidential.

GLOSSARY OF TERMS

BOARD OF ECONOMIC DEVELOPMENT: This thirteen member board was originally created by the late Governor George S. Mickelson to promote the economic development of the State of South Dakota. The BED has, by law, sole authority to make and administer loans from the REDI Fund and directly approves loan applications.

COLLATERAL: Assets owned by a borrower that are pledged to a lender as security for a loan.

ECONOMIC DEVELOPMENT FINANCE AUTHORITY: This five member board was created in 1986. The EDFA board oversees the EDFA loan programs. The EDFA, by law, has sole authority to make loans for these two programs and directly approve loan applications.

ECONOMIC DEVELOPMENT FINANCE AUTHORITY'S POOLED BOND LOAN PROGRAM: This loan program was created for the purpose of making loans to South Dakota businesses for the acquisition of land; the acquisition, construction or reconstruction of buildings; and the acquisition of machinery and equipment to spawn economic growth. The Authority carries out their mission primarily by issuing Industrial Revenue Bonds (IRB's).

EMPLOYEE: An employee is one who is employed to render personal service to his/her employer in return for financial or other compensation. This would not include owners.

EMPLOYER TAX ID: The number is assigned by the IRS. If you operate the business as an individual, your social security number is your tax ID number.

EQUITY: Capital that has no guaranteed or mandatory return which must be paid out in any event, has no definite timetable for repayment of the capital investment, and cannot be withdrawn at the contributor's option without the permission of the superior debt holders.

FINANCIAL STATEMENTS: Written statements reflecting the assets and liabilities, owner's equity, and income of a business or individual. At the minimum they should include a balance sheet showing the assets and liabilities of the business and an income statement showing gross income, operating expenses and net income.

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT: GOED administers several loan programs including the REDI Fund, EDFA Pooled Bond Program. The GOED prepares loan packages for review and approval by the boards. If you have any questions concerning these loan programs or this application, please contact the Finance Division at (605) 773-5032.

INTERIM FINANCING: Short-term lending for the construction or acquisition phase of a project based on a commitment from the Board for a term loan from one of the loan programs.

MULTI-FAMILY HOUSING: housing containing two or more dwelling units, including in an apartment building, duplex, triplex, quadriplex, or townhomes. The term includes housing intended for lease or purchase by the occupant.

PRIMARY JOBS: Primary jobs are defined as "jobs that provide goods and services which are primarily exported from the state, that gain market share from imports to the state or that meet an unmet need in the area and result in the creation of new wealth. Primary jobs are derived from businesses that bring new income into an area, stimulate other local businesses, or assist a community to diversify and stabilize its economy." ARSD 68:02:01:01:(8).

PROJECTIONS: Financial statements reflecting the estimated condition and growth of a business in the years after a loan is made based on the business plan developed by the borrower.

REVOLVING ECONOMIC DEVELOPMENT INITIATIVE FUND: The REDI Fund was created in 1987 and expanded in 2020 and can be used in the creation of successful new business ventures, the expansion of existing business, or the relocation of a business from another state to South Dakota, as well as multi-family housing.

TOTAL PROJECT COST: The direct costs associated with the purchase of land, necessary site development and improvements, construction or acquisition and remodeling of buildings and works necessary to the operation and protection of the project, purchase and installation of machinery and equipment, fees or services, approved in-kind contributions and adequate working capital financing.

DESCRIPTIONS OF OCCUPATIONAL CATEGORIES

MANAGERIAL AND ADMINISTRATIVE OCCUPATIONS: Include top and middle-level managers, administrators and executives. Primary duties are policy making, planning, staffing, directing or controlling the activities of the business.

PROFESSIONAL, PARA-PROFESSIONAL AND TECHNICAL OCCUPATIONS: Include persons concerned with the theoretical or practical aspects of such fields as science, art, education, law and business relations where substantial post-secondary educational preparation, or equivalent on-the-job training or experience is required.

SALES AND RELATED OCCUPATIONS: Include persons selling and marketing goods or services and others directly related to sales.

CLERICAL AND ADMINISTRATIVE SUPPORT OCCUPATIONS: Include persons performing office and plant clerical tasks, such as typing, filing, computer operations, records keeping (personnel, stock, production, billing, etc.), and mail preparation and distributing.

SERVICE OCCUPATIONS: Include workers in occupations relating to protective service, food service, health-assisting service, cleaning and building service, and personal service.

AGRICULTURAL, FORESTRY, FISHING AND RELATED OCCUPATIONS: Include workers concerned with agricultural production, forestry and fishing. Also included in this division are agriculture related workers such as animal caretakers and groundskeepers.

PRODUCTION, CONSTRUCTION, MACHINE OPERATION, MAINTENANCE AND MATERIAL HANDLING OCCUPATIONS: Include all skilled, semi-skilled and unskilled workers performing machine and manual tasks involving production, construction, operating, maintenance, repair, and material handling operations.

SMALL BUSINESS DEVELOPMENT CENTERS

ABERDEEN SBDC

506 South Main Street, Suite 2
Aberdeen, SD 57401
Phone: 605-698-7654 ext. 5
FAX: 605 698-3038

SIoux FALLS SBDC

2329 N. Career Ave, Suite 106
Sioux Falls, SD 57107
Phone: 605-367-5757
FAX: 605-367-5755

PIERRE SBDC

221 S Central Ave, Suite 33
Pierre, SD 57501
Phone: 605-773-2783

WATERTOWN SBDC

418 18th Ave NE
Watertown, SD 57201
Phone: 605-882-5115
FAX: 605-882-5049

RAPID CITY SBDC

730 E. Washington Street
Rapid City, SD 57701
Phone: 605-394-5311
FAX: 605-394-6140

YANKTON SBDC

PO Box 687, 1808 Summit Ave.
Yankton, SD 57078
Phone: 605-665-4408
FAX: 605-665-0303

SECTION 18. CERTIFICATION

All information contained above and in schedules attached hereto are true and complete to the best knowledge and belief of the applicant. There is no intent to deceive or defraud the Board of Economic Development, the Economic Development Finance Authority or the South Dakota Development Corporation or any potential participant in any loans to finance this project.

The applicant recognizes that neither GOED nor any of the boards which it supports will process any application that is not complete. Incomplete applications will be returned to the applicant for completion.

Except for loan programs solely administered and under the control of GOED, GOED has no authority to commit financing or other financial assistance. Specifically, regardless of any assurance, guarantee, communication or representation to the contrary, GOED has no authority to make commitments for loans or other financial assistance from BED or EDFA.

The Governor’s Office of Economic Development prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, marital or family status.

Pursuant to SDCL 22-29-19, persons who knowingly make any materially false statement on or related to this application, or who wilfully overvalues any land or other property offered as security for any loan sought by or related to this application is subject to prosecution. The maximum penalty for a violation of SDCL 22-29-19 is 2 years in the state penitentiary or a \$2000 fine, or both. By their execution of this Application, all persons signing this Application warrant and represent that they have read and understand the provisions of SDCL 22-29-19.

Applicant Business: _____

Officer’s Signature: _____

Officer’s Name/Title: _____

Telephone Number: _____ Date: _____

**South Dakota Governor’s Office of Economic Development
AUTHORIZATION FOR RELEASE OF FINANCIAL INFORMATION**

The undersigned Applicant has applied for a loan or other financial assistance from a program administered by the South Dakota Governor’s Office of Economic Development (“GOED”). GOED provides support staff and acts as a servicing agent for the South Dakota Board of Economic Development (“BED”) and the South Dakota Economic Development Finance Authority (“EDFA”). GOED also administers other grant and loan programs not under the supervision of any board or similar entity.

The undersigned Applicant hereby authorizes all other lenders (including but not limited to banks and other commercial lending companies, development corporations and governmental entities) proposed to or actually providing financing in connection with the Project described below to disclose to GOED confidential financial information relating to Applicant’s financial and business dealings with that lender. This authorization includes, but is not limited to, authorization to disclose any loan application made or given by Applicant to lender whether or not the requested loan has been approved or funded.

This authorization shall remain in effect until the later of, as applicable, the date the loan from the GOED-administered entity loan has been paid in full (including any damages payable under the Employment Agreement signed by Applicant), the Applicant’s obligation to provide reports to GOED has ended or the GOED-administered entity providing the financial assistance no longer has the legal right to seek repayment from Applicant, and may not be earlier revoked by Applicant. Lender may rely on GOED’s representation that this Authorization remains in effect under the conditions described in this paragraph.

The Project to which this Authorization refers is described generally as follows:

INITIAL BOX IF APPLICABLE – DISCLOSURE BY GOED [] Applicant acknowledges that SDCL 1-53-6, 1-16B-14.1, 1-16G-11 and other applicable law prohibit or may prohibit GOED from disclosing Applicant’s confidential financial information to third parties, including other lenders involved in financing the Project. Applicant is not required to authorize disclosure to other lenders involved with the Project, but Applicant’s failure to do so may affect GOED’s ability to provide financing or financial assistance for the Project. By initialing the box above, the undersigned Applicant hereby further authorizes GOED to disclose confidential financial information relating to Applicant’s financial dealings with GOED to any other lenders proposed to or actually providing financing in connection with the Project.

Applicant Business: _____
Officer’s Signature: _____
Officer’s Name/Title (printed): _____
Telephone Number: _____ Date: _____

**STATE OF SOUTH DAKOTA
GOVERNOR’S OFFICE OF ECONOMIC DEVELOPMENT**

CREDIT REPORT AUTHORIZATION (copy as necessary for every guarantor)

THIS AUTHORIZATION is given effective the ____ day of _____, 20____, by _____ of _____ to the South Dakota Governor’s Office of Economic Development, 711 E. Wells Avenue, Pierre, South Dakota, 57501 (“GOED”).

WHEREAS, GOED administers certain loan programs on its own behalf and for the South Dakota Board of Economic Development, and the South Dakota Economic Development Finance Authority; and

WHEREAS, the loan programs administered by GOED are all restricted for use for commercial purposes in order to create jobs and other economic opportunities in South Dakota; and

WHEREAS, the undersigned has expressed an interest in making formal application for a loan, either for the undersigned or for a company in which the undersigned has a financial interest, from one or more of the programs administered by GOED; and

WHEREAS, in the case of an application on behalf of a company in which the undersigned has a financial interest, the undersigned acknowledges that a personal guarantee from the undersigned may be a condition of any such loan; and

WHEREAS, in order to properly evaluate the eligibility and qualification of the undersigned or the undersigned’s company for a loan or loans from the programs administered by GOED, it is necessary for GOED to evaluate the undersigned’s creditworthiness; and

WHEREAS, some of the loan programs administered by GOED have entered into Loan Servicing Agreements with BankWest, Inc., a state chartered financial institution, of Pierre, South Dakota (“BankWest”), whereby BankWest will act as those programs’ agent for purposes of closing, funding, receiving payment and servicing any loan made under those programs, and under which BankWest may take any and all action on behalf of those programs consistent with the terms of the applicable Loan Servicing Agreement;

NOW, THEREFORE, based upon the foregoing Recitals and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by the undersigned, the undersigned hereby states and agrees as follows:

1. The undersigned understands that GOED has a need to review the undersigned’s creditworthiness as an individual for the reasons set forth above.
2. The undersigned hereby authorizes GOED (and where applicable, BankWest, acting on behalf of GOED) to check the undersigned’s credit account and employment history and/or have a credit reporting agency prepare a credit report on the undersigned.
3. The undersigned further acknowledges and agrees that GOED will also evaluate the creditworthiness of the undersigned and the undersigned’s company, as applicable. The undersigned agrees that nothing about the method or means used by GOED to evaluate the undersigned’s credit or that of the undersigned’s company, or the results of said evaluation, shall in any way affect the undersigned’s liability under any guarantee or other agreement the undersigned may execute with or in favor of any loan program administered by GOED in connection with any loan made by any loan program administered by GOED to the undersigned or the undersigned’s company.
4. This Authorization shall remain in effect for a period of one year from the date of the signature below.

Dated this ____ day of _____, 20____

Name

SSN

APPLICATION CHECKLIST:

Please review your application to make sure all relevant information has been submitted.

	Date Received
I. Completed Application	
II. Supporting Documentation:	
A. Historical Financial Statements (3 years min.) <i>to include income statement and balance sheet</i>	_____
B. Projected Financial Statements (3 years min.) <i>to include income statement and balance sheet</i>	_____
C. Personal Financials (<i>10% or greater ownership</i>)	_____
D. Resumes of Management and Principals	_____
E. Supporting Cost Documents	_____
F. Business Plan	_____
G. Management and Organizational Chart	_____
H. Employment Plan	_____
I. Litigation	_____
J. Appraisal	_____
K. Letters of Commitment	_____
L. Affiliate Statements	_____
M. Community Impact	_____
N. Business Organizational Documents	_____
O. Housing Study	_____
P. Other Enclosures	_____
Q. Current Debt Schedule	_____
R. Drivers License - copy from applicant	_____