

South Dakota Governor's Office of Economic Development Revolving Economic Development and Initiative

Value-Added Agriculture Subfund Application

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, attach additional sheets.

SECTION 1. CERTIFICATION

All information contained below and in schedules attached is true and complete to the best knowledge and belief of the applicant. There is no intent to deceive or defraud the Revolving Economic Development and Initiative (REDI) or any potential participant in any grant or loan to finance this project.

The applicant recognizes that GOED or the REDI board may not process any applications that are not complete. Incomplete applications will be returned to the applicant for completion.

The Applicant also recognizes that only the REDI board may make an award from the program to an applicant.

I declare and affirm under the penalties of perjury that the claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

APPLICANT SIGNATURE: _____

DATE: _____

SECTION 2. APPLICANT INFORMATION

NAME OF APPLICANT: _____

STREET ADDRESS: _____

MAILING ADDRESS: _____

CITY/STATE/ZIP CODE: _____

TELEPHONE: _____ EMAIL: _____

SECTION 3. EVALUATION CRITERIA

The criteria for evaluating proposals is as follows, if applicable:

1. The concept is new technology or a new application of existing technology with a reasonable assurance that the concept will work.
2. Preliminary market and feasibility research has been conducted by the applicant or others, and there is a reasonable assurance of a potential market.
3. The applicant has demonstrated the ability to manage the business of fully commercializing the idea.
4. There is favorable community support for the project.
5. There are favorable recommendations from local economic development groups, university-based technical specialists, or other qualified service providers.
6. There are favorable collateral contacts to determine the applicant's qualifications and background.
7. The applicant demonstrates a personal commitment and a commercialization development plan.
8. The capacity of the applicant to repay a loan if awarded, including the amount of the loan, the economic feasibility of the project or product; the ability of the applicant to service the debt from cash flow of operations, capital or collateral; the review of the financial status of the project, business plan, and applicant; the satisfaction of engineering, legal and environmental regulations, and the availability of necessary utilities.
9. The terms and conditions of the loan, if awarded, and compatibility with the needs of the business of the fund.
10. There is an adequate and realistic budget projection.
11. An applicant may not apply for a loan for more than 45% of the total projects cost for study expenses. Matching funds may include cash spent, or in-kind services rendered, on behalf of this project by the applicant after board approval of the application.
12. An applicant must provide an equity contribution of at least 10 percent of the total project costs for marketing or feasibility studies expenses.

SECTION 4. EXECUTIVE SUMMARY

SUMMARIZE THE ESSENTIAL ELEMENTS OF THE PROPOSAL

[illegible]

Project Loan Amount: \$ _____

Estimated Cost of Project/Study: \$ _____

Estimated Contribution(s) to Date: \$ _____

SECTION 5. PROPOSED PROJECT OWNERS AND MANAGEMENT

PROPOSED OWNERS, INVESTORS AND MANAGEMENT

(Attach resumes and references.)

NAME	ADDRESS	TELEPHONE
_____	_____	_____
_____	_____	_____
_____	_____	_____

OWNER(S) OR OPERATOR(S) OF BUSINESS DURING TERM OF LOAN

NAME	ADDRESS	TELEPHONE
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECTION 6. PURPOSE OF THE LOAN

DESCRIPTION OF THE PRODUCT OR PROCESS

Describe the product or process that will result from the feasibility study or marketing plan.

DESCRIPTION OF PLANNED COMMERCIALIZATION EFFORTS

Describe the planned commercialization efforts, including market research and feasibility studies performed to date by the applicant or others, and the potential markets for the proposed product or process.

(Attach all pertinent marketing and business plans.)

DESCRIPTION OF FEASIBILITY OR MARKET RESEARCH METHODOLOGY

Objective(s) _____

Tasks _____

Milestones _____

Research Site _____

Schedule of Planned Activities _____

Timeframe for Completion _____

BENEFITS OF PROJECT TO SOUTH DAKOTA AGRICULTURE

Explain how technology or innovation will benefit the applicant, the end user of the project, and agriculture in South Dakota. For example: increased markets, new uses, value added to agriculture products, etc.

BENEFITS OF PROJECT TO SOUTH DAKOTA ECONOMY

Explain the estimated benefit of the project in terms of creating jobs, impacting the tax base and infrastructure, bringing new income to an area, stabilizing and /or diversifying the economy, stimulating other local business, etc.

NECESSITY OF PROJECT

Explain why this particular project is needed and how it will further develop existing technologies.

MARKETS

Explain specific markets this particular project expects to target.

COMPETITION

Explain existing and expected competition expected as a result of the successful completion of this feasibility study or market research.

PATENTS OR REGULATORY APPROVAL

Explain, if applicable, any patents or regulatory approval that is needed, has been granted or is expected to be granted as a result of the successful completion of this feasibility study or market research.

SECTION 7. PROJECT CO-SPONSORS

PROJECT CO-SPONSORS

*Identify supporters of the proposal and any contributions they may make to the project.
(Attach letters of commitment.)*

Organization _____

Mailing Address _____

City/State/Zip _____

Telephone _____

Key Contact _____

Nature of Participation _____

Organization _____

Mailing Address _____

City/State/Zip _____

Telephone _____

Key Contact _____

Nature of Participation _____

Organization _____

Mailing Address _____

City/State/Zip _____

Telephone _____

Key Contact _____

Nature of Participation _____

SECTION 8. PROJECT RESOURCES

PROPOSED USE OF MARKETING OR FEASIBILITY CONSULTANTS

*Identify all consultants who will work on the project. Include details about the firm.
(Attach resumes.)*

Company _____

Mailing Address _____

Telephone _____

Key Contact _____

Expertise _____

Project Responsibility _____

Company _____

Mailing Address _____

Telephone _____

Key Contact _____

Expertise _____

Project Responsibility _____

SECTION 9. PROJECT CONSTRUCTION

ZONING AND BUILDING CODES

Provide assurance, if applicable, that the project will comply with all required local zoning and building codes.

UTILITIES

Provide assurance that all necessary utilities will be available to the project when needed.

CONSTRUCTION DATES

Approximate date construction will begin: _____

Approximate date construction will be completed: _____

Approximate date project will be fully operational: _____

PRELIMINARY DESIGNS (please attach)

Provide any preliminary design information or plans that have been completed on the project.

SECTION 10. HISTORICAL FINANCIALS (please attach)

Provide the most recent three (3) year financial statements if applicable. At a minimum, this history must contain a balance sheet and income statement. Audited financials are preferred; however, other statements may be acceptable. If applicant is a business newer than 3 years, provide all previous financials.

SECTION 11. FUNDING SOURCES

LIST ALL FUNDING SOURCES

(Attach letters of commitment.)

NAME OF SOURCE	ADDRESS	AMOUNT	TERMS
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

SECTION 12. PROJECT BUDGET & EXPENDITURES BY FUNDING SOURCE

Complete the project budget and expenditure by funding source form on the following page.

NOTES:

1. Equipment: give dollar amount for the equipment that is required to do the marketing or feasibility study.
2. Specify the materials and supplies required to do the marketing or feasibility study.
3. Attach resumes and contracts for any marketing or feasibility study consultants to be used for this study.
4. If applicable, specify who will provide accounting services.
5. If applicable, specify who will provide legal, patent or intellectual property services.
6. In order for our staff to perform due diligence on each project, we are requesting a personal resume, personal financial statement, business financial statement and 3 business references.

SECTION 13. LOAN PROCESSING FEE

Applicant hereby agrees that should this application be considered by the Board, a fee not to exceed one and one-half percent (1.5%) 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.

Project Budget

Expenditure	SDDA Subfund	Private Funds	Federal Funds	Equity Funds	Other Matching Funds	Total
Salaries						
Fringe Benefits						
Equipment 1. 2.						
Supplies 1. 2.						
Travel						
Printing Costs						
Computer Costs						
Consultant Fees						
Direct Costs 1. 2.						
Indirect Costs 1. 2.						
Total						

CERTIFICATIONS and ATTESTATION

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 South Dakota Codified Law ("SDCL") 22-29-19, persons who knowingly make any materially false statement on or related to this application, or who willfully 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.

Pursuant to South Dakota Codified Law 1-16G-68, no person, as that term is defined in SDCL 1-16G-56(10), who works for a project, as that term is defined in SDCL 1-16G-56(11), may be employed for a commission or compensation that is dependent in any manner upon the approval of any government grants, loans, or reinvestment payments that the person obtains for the project. By their execution of the Application, all persons signing this Application warrant and represent they have read and understand the provisions of SDCL 1-16G-68 and attest that no person is employed by the company or for the project in connection with the project in violation of SDCL 1-16G-68.

Applicant Business: _____

Officer's Signature: _____

Officer's Name/Title: _____

Telephone Number: _____ Date: _____