



**THE CITY OF LORAIN  
DEPARTMENT OF BUILDING, HOUSING AND PLANNING**

***PRE-APPLICATION***

**DEADLINE TO APPLY:**

**January 31, 2025 @ 3:00 PM**

**OFFICE USE ONLY:**

Received Date and Time: \_\_\_\_\_

Received by: \_\_\_\_\_

Method Received: \_\_\_\_\_



The City of Lorain's Department of Building, Housing, and Planning is committed to supporting the success of Lorain's small businesses. We're excited to introduce the 360 Business Loan Program (360 BL), funded by HUD's Community Development Block Grant (CDBG) funds. The 360 BL Program offers low-interest loans with extended terms, aiming to support existing and new businesses in the City of Lorain.

Since 2020, the Department of Building, Housing and Planning staff has worked diligently to design and administered various programs addressing the negative economic impacts of COVID-19 on our small business community as a way to collect data and understand Lorain business community's needs. Additionally, BHP Staff administer a "Small Business Resources Assessment" Survey where many of the respondents noted they're currently experiencing a gap in financing or limitations on capital and would like the City of Lorain to play a more supporting role in the small business community through funding opportunities.

In response, the City of Lorain has decided to launch a low-interest revolving loan program specifically tailored to small businesses looking for financing for the following projects including but not limited to, façade and interior renovations, repairs, and working capital for gap financing. The expanded eligibility criteria and project requirements starts on page 5.

### **LOAN INFORMATION**

- Loans will be able to cover up to 100% of eligible project expenses, with an expectation that businesses are responsible for project costs over \$ 25,000 or eligible loan amount. Proof of remaining amount is required at loan closing.
- Eligible businesses may apply for amounts ranging from \$ 2,500 up to \$ 25,000.
- This program requires potential borrowers to create or retain Full-Time Equivalent (FTE) positions for low-to-moderate income individuals.
- Construction Projects (interior or exterior) must comply with Davis-Bacon Act and Prevailing wages, be completed within 3 - 12 months of loan signing, and adhere to all necessary permits, board approval, and inspections. Failure to comply will result in immediate loan termination and full repayment will be pursued.
- These funds are not emergent in nature and will not be administered on an emergent basis. By applying to the program, businesses are not entitled to receive a loan.
- If construction takes place while the application is under review, it will be removed from consideration.
- Potential borrowers will be monitored to ensure compliance with all Local, State, and Federal Regulations through the Term of the Loan.

## **WHAT IS A PRE-APPLICATION?**

A pre-application serves as a screening tool to invite or deny businesses and provide resources for those intending to apply for federally funded programs.

All eligible businesses in the City of Lorain are encouraged to submit a pre-application. This process will determine whether a business or project meets the specific eligibility requirements of the program.

The pre-application process has been introduced in response to high demand from the business community. It will help City of Lorain staff identify eligible businesses and projects that comply with HUD regulations and local policies before the full application and underwriting process.

Please note that approval of the pre-application does not guarantee that your business will receive a loan or be approved for the program. The full application process includes a strict underwriting procedure to assess eligibility and financial need.

## SUBMITTAL PROCESS

Pre-Application's will be accepted until January 31, 2025, to check eligibility of both the applying business and project, this screening process will help BHP staff to invite eligible applicants to the 360 Business Loan Program as well as help direct businesses to resources like the Small Business Development Center if the business is found to be ineligible for the program based on required documentation, etc. Businesses found to be ineligible due to business type or activities are strictly ineligible for this program.

Pre-Applications will be processed in the order they were received by BHP Staff. If the business is invited to apply under the 360 Business Loan Program, it does not constitute a guaranteed loan with the City of Lorain.

To be considered, an eligible business, it must submit a fully completed pre-application by the specified deadline detailed below:

**January 31, 2025 @ 3:00 PM (*post marked by*)**

If you are planning on submitting via Mail service please send to the following address:

City of Lorain Building, Housing and Planning Department  
ATTN: Community & Economic Development  
200 W. Erie Ave, 5<sup>th</sup> Floor  
Lorain, OH 44052

If you are planning on submitting via E-Mail, please send application to the following staff:

- **Hannah C. Kiraly, MNO**  
Program Manager of Community and  
Economic Development  
(440) 204-2087  
[Hannah\\_Kiraly@cityoflorain.org](mailto:Hannah_Kiraly@cityoflorain.org)
- **Desiree A. Thompson**  
Community Development Analyst  
(440) 204-2308  
[Desiree\\_Thompson@cityoflorain.org](mailto:Desiree_Thompson@cityoflorain.org)

## **BUSINESS ELIGIBILITY CRITERIA**

### **ELIGIBLE BUSINESSES**

- located in the City of Lorain and,
- located in Commercial, Retail, Mixed-Use, and Industrially Zoned Districts, and,
- Appropriately filed with the IRS, State, and City of Lorain.

### **INELIGIBLE BUSINESSES**

- Either the Business or Business Owner(s) that have a criminal record.
- Either Business or Business Owner (s) have filed for Bankruptcy
- It is a “Home-based”, “Online Business” (does not have a “brick and mortar” location).
- It is located in a Residentially Zoned District.
- Delinquent on any taxes or debt payments
- A business that primarily sells tobacco products, cigarettes, electronic smoking devices, THC, or vapor products as those terms are defined in Section 2927.02 of the Ohio Revised Code or operating as a sexually oriented business as that term is defined in Section 2907.40 of the Ohio Revised Code are ineligible.

## **ELIGIBLE PROJECTS**

### **EXTERIOR RENOVATIONS**

**Any renovation project must be a new project to be eligible for funding; this may include but not limited to:**

- Roof Repairs
- Display Windows
- Upper floor windows in unoccupied units
- Awnings
- Exterior Doors
- Masonry repair
- Painting
- Paving
- Bulkheads
- Lighting
- Landscaping with substantial façade renovation
- Roofing as part of a larger project to protect the investment of the façade
- Signage (including removal of old signage, design, construction, and installation of new)
- Additional façade improvements required to be compliant with BBS.

## **INTERIOR RENOVATIONS**

**Any renovation project must be a new project to be eligible for funding.**

**This may include, but is not limited to:**

- Floor Plan Reconfiguration
- Removal and Replacement of substandard floor coverings, countertops, and other surfaces
- Interior doors
- Restrooms
- Drive-through or walk-up systems
- HVAC systems
- Ceiling and/or drywall repairs
- Sump pumps and dehumidifiers
- Removal and replacement of wall paneling, tile, and wallpaper
- Electrical upgrades
- ADA Improvements
- Additional interior renovations to be up to compliance standards of Lorain County Public Health and Lorain Building Department.

## **INVENTORY & WORKING CAPITAL:**

- Furniture & Fixtures [if paired with Interior Renovation Project]
- Inventory
- Marketing
- Payroll
- Buying a Business
- Business Start Up (Brick and Mortar Location in appropriately zoned districts)

## **INELIGIBLE PROJECTS**

- Equipment or Machinery
- Debt financing
- Real Estate Speculation
- Rolling Stock (Vans, Trucks, Vehicles, Etc.)
- Products or Goods inclusive of but not limited to tobacco, alcohol, or sexually oriented business.
- Food or Drinks associated with Construction and Renovation Projects.

**BUSINESS INFORMATION:**

Applicant Name: \_\_\_\_\_

Current Residential Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Business Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ Email: \_\_\_\_\_

Date Business was Established: \_\_\_\_\_

Form of Business Ownership: ☐ Sole Proprietor ☐ S Corp ☐ C Corp ☐ LLC ☐ Partnership

Is your business registered with the City of Lorain Treasurer? ☐ Yes ☐ No

Is your business registered with the Ohio Secretary of State? ☐ Yes ☐ No

Is your business registered with the Internal Revenue Service? ☐ Yes ☐ No

EIN#: \_\_\_\_\_ UEI#: \_\_\_\_\_

Are you a Minority-Owned Business: ☐ Yes ☐ No

Are you a Female-Owned Business: ☐ Yes ☐ No

Are you planning on creating a job through this program? ☐ Yes ☐ No

Are you planning on retaining a job through this program? ☐ Yes ☐ No

**PROJECT INFORMATION:**

Briefly describe your project:

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Why are you applying for this Loan?

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**ANTICIPATED SOURCES AND USES OF PROJECT FUNDS:**

Complete the table below or attach an itemized expense list that includes the items listed below:

	Amount	Description
Exterior Improvements	\$	
Interior Improvements	\$	
Leasehold Improvements	\$	
Inventory / Goods	\$	
Professional Fees	\$	
Other:	\$	
Other:	\$	
Other:	\$	
Other:	\$	
<b>Total Project Costs:</b>	\$	

	Amount	Description
Loan Request	\$	
Private Sector Loan	\$	
Equity Contribution	\$	
Other:	\$	
<b>Total Secured Funding:</b>	\$	

What is your business' current financial position?

- Assets: \_\_\_\_\_
- Liabilities: \_\_\_\_\_
- Equity: \_\_\_\_\_



## CERTIFICATIONS

- ☐ I/We have read and fully understand the qualifications and requirements delineated in this proposal and application. All information submitted is true and accurate.
- ☐ I/We have read and fully understand the City of Lorain can deny a pre-application on the basis of: incomplete Application, found that business is not legal, pre-application submitted past application deadline, etc.

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Business Owner's Signature

Print Name

Date

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Building Owner's Signature  
*(If different from Business Owner)*

Print Name

Date