



**Pine
City**

North.
Nice and close.

Economic Development
Authority

- Interest rate 2 points below prime
- Up to 10 year term
- \$50,000 maximum loan
- Applicants must supply 30% of total project cost in cash and/or fixed assets.
- \$250 application fee

Revolving Loan Fund

Background & Use of Funds:

The Revolving Loan Fund was created by the Pine City Economic Development Authority (EDA) to expand the tax base by aiding businesses looking to open, relocate to Pine City, or begin an expansion project.

The fund's intent is to provide low-interest loans to businesses so that they may have financial assistance beyond the conventional bank loan. Often, the loans have functioned as a gap financing option for borrowers because it provides a low-cost option for acquiring the financial resources necessary to complete a project. Project costs are limited to direct expenditures necessary to acquire, construct, convert or expand a business including site improvements and professional fees directly attributable and essential to a project (surveying, engineering, architectural, legal and accounting).

The fund was also designed to maintain a level of flexibility so that it may meet a variety of financial needs unique to each business, and in general, the overall project should create a productive asset when completed.

Process & Timeline:

The application process is similar to what would be expected when applying for a bank loan. The first step is to meet with EDA staff to discuss the project. If the project meets the guidelines, the next step is to prepare an application and gather all the necessary documents and supporting information. Applications are accepted monthly and must be submitted by the first business day. Once completed, the application will be reviewed by the EDA board and a decision will be made.

Pine City Economic Development Authority:

The EDA is comprised of seven members which consists of local business owners and city officials. A list of members can be found on the City's website: pinacity.govoffice.com.

The EDA's goal is to improve the economic conditions of Pine City by working to establish a higher tax base and bring jobs to local citizens. EDA's work is completed through a combination of tools and resources, and incentive programs, including this revolving loan fund.

Pine City EDA

315 Main Street South, Suite 100, Pine City, Minnesota 55063-1619

Phone: 320.629.2575 | Fax: 320.629.6081

E-mail: admin01@pinacitygov.com | Website: pinacity.govoffice.com

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