



# GREEN RIVER AREA DEVELOPMENT DISTRICT

## INFRASTRUCTURE REVOLVING LOAN FUND



*The GRADD Revolving Loan Fund (IRLF) was established to develop and assist in funding infrastructure that promotes sustainable economic growth in the GRADD communities.*

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### PROGRAM GUIDELINES

1. Projects must be located in Daviess, Henderson, Hancock, Webster, Union, McLean, and Ohio Counties.
2. Applicants must be either a City, County, Special District (water, sewer, etc.) or Industrial Authority/Foundation
3. The maximum loan is \$100,000 for fixed assets. The minimum loan is \$10,000.
4. Maximum term is 10 years. Anticipate most terms to be between 5 & 10 years.
5. Rate is to be 4% below prime, as published in the Money Rates section of the Wall Street Journal, not to go below 4%. Rate shall not exceed 10%. Current rate is 4%.
6. Payments may be made on a monthly or semi-annual basis.
7. Purpose of fund is to provide infrastructure that creates new jobs, retains jobs or has a significant impact on the economic growth of a community.
8. As appropriate and practical, financing will be secured with mortgages, liens, or pledge of revenue.

### LOAN PROCESS

1. Potential applicants should contact the GRADD office to discuss project eligibility and proposed financing structure.
2. Following eligibility determination, an application must be submitted to GRADD for staff review and preliminary approval.
3. All applications must receive approval from each of the following before final approval is given:
  - a. GRADD Executive Committee
  - b. GRADD Board of Directors
4. A closing fee will be charged to cover actual expenses (such as legal and recording fees) incurred by GRADD to close a loan.
5. Loans proceeds for infrastructure projects will be disbursed at 25%, 50%, 75%, and 100% of project completion. Invoices, engineer's statements, etc shall document these levels of completion.
6. Loan proceeds for capital purchases shall be disbursed upon presentation of documentation in support of loan request.

### ELIGIBLE PROJECTS

Eligible projects shall include but are not limited to the following:

- Infrastructure capacity improvement
- Disaster mitigation
- Vehicles/Equipment (Backhoes, bulldozers, etc.)
- Broadband internet extension