

1654.0030 ASSISTANCE APPLICATIONS.

Subpart 1. **In general.** To apply for assistance from the authority under the program, an applicant must submit a completed application which is dated and signed by an owner, general partner, or an authorized officer of the applicant.

Subp. 2. **Contents.** An application must contain at a minimum the following information:

A. a funding request indicating the desired financial assistance from the program, collateral offered for the financial assistance requested, capitalization of the project, use of funds, and future financing needs;

B. project cost summary;

C. financial statements of the applicant, including a balance sheet, an operating statement, a statement of the sources and uses of funds, and footnotes to the statements, if available, for the following time periods:

(1) financial statements for the previous three financial years, or such shorter period of time during which the applicant has conducted business. If unaudited, the statements must be verified by an authorized financial officer of the applicant;

(2) a balance sheet dated as of not more than 90 days before the date the application was submitted and if unaudited, compiled by a certified public accountant;

(3) federal tax returns filed by the applicant for the previous three financial years, or such shorter period of time during which the applicant has conducted business; and

(4) a proforma balance sheet and income statement for the 60 months following the financial assistance closing that shows the financial position of the applicant and includes the proposed financing;

D. a complete business plan for the applicant, complying with subpart 3;

E. signed personal financial statements dated as of the date of the application for any person who owns 20 percent or more interest in the applicant;

F. a resolution of support or other comparable preliminary approval from the local government unit with respect to the project to be financed;

G. an authorization which will allow the authority to disseminate all or any part of the loan application package supplied by the applicant to any outside sources which the authority deems necessary in order to process, review, and analyze the application;

H. certification that the applicant will not discriminate in employment in a manner contrary to applicable federal, state, or local laws, regulations, rulings and decisions; and

I. a statement of all permits, licenses, and other similar authorizations which must be obtained in order to construct and operate the proposed facility and evidence that the applicant will be able to obtain such items.

Subp. 3. **Business plan.** As part of the application, the applicant shall also submit to the authority a comprehensive business plan. The business plan must include, but is not limited to, the following:

- A. a management summary of the plan including:
 - (1) name of the business;
 - (2) business location and plan description;
 - (3) the management team and its expertise and experience;
 - (4) summary of financial projections;
 - (5) amount of financial assistance requested;
 - (6) sources and amounts of funds to capitalize the proposed project; and
 - (7) business goals;
- B. a description of the applicant including the following:
 - (1) date and state of incorporation, date and state of formation of partnership or joint venture, or date and state of formation of sole proprietorship;
 - (2) history of the applicant; and
 - (3) principals and the roles they played in the evolution of the company;
- C. a market analysis including:
 - (1) description of the current industry status and industry trends;
 - (2) effects of major social, economic, technological, or regulatory trends on the industry;
 - (3) description of the total market, principal market participants, and their performance; and
 - (4) discussion of the target market and competition;
- D. a description of the marketing strategy including:
 - (1) overall strategy;
 - (2) pricing policy;
 - (3) sales and channels and terms;
 - (4) method of selling and distributing product;

- (5) estimated sales and market share; and
- (6) advertising, public relations, and promotion;
- E. the management plan including:
 - (1) form of business organization;
 - (2) board of directors composition, if applicable;
 - (3) officers organization chart and responsibilities; and
 - (4) resumes of key personnel;
- F. an operating plan including:
 - (1) schedule of upcoming work for the next two years;
 - (2) facilities plan or planned capital improvements for the next three years;
 - (3) manufacturing processes; and
 - (4) staffing plan (number of employees);
- G. a schedule indicating the completion dates for realizing the significant aspects of the business plan; and
- H. a discussion of the risks and problems inherent to the business plan, including the negative factors and plans to minimize the impact of those factors.

Statutory Authority: *MS s 41B.07*

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