



Providers of Educational, Technical & Financial Assistance to Individuals & Small Businesses in Adams, Brown, Highland, Lawrence, Pike, Jackson, Ross, & Scioto Counties

***Our mission is to enhance the economic potential in Adams, Brown, Lawrence, Pike, Ross, Scioto & Jackson Counties through the facilitation of personal and professional development strategies and ultimately through job creation and retention.***

For area businesses and individuals who are giving serious consideration to starting a small business, a local organization is available to offer technical and financial assistance that can enhance the efforts of small and emerging business owners in Pike, Jackson, Ross and Scioto Counties.

Since 1994, the Workforce & Business Development Program of the Community Action Committee of Pike County has been providing business development services including one-on-one business counseling, business start-up classroom training, financial assistance and various forms of technical assistance.

The Community Action Committee of Pike County began to expand into the field of small business development in early 1993 with the first services provided to customers in January 1994.

Due to the success of this program, CAC of Pike County was awarded \$1,000,000 from the Department of Energy (DOE) in order to expand the program to the four county service area most affected by the downsizing of a local uranium enrichment facility--Pike, Ross, Scioto and Jackson Counties. Since that time, over 3,500 individuals have sought the services of the program, with over 500 residents enrolling in the classroom training component of the program. In 2001, the program received an additional \$500,000 from DOE. Over \$2.8 million thus far has been lent, resulting in the leveraging of an additional \$5.8 million.

In October, 1997, the CAC of Pike County's Microenterprise Program garnered the attention and secured a front page article in *The Wall Street Journal*. In 1998, the program was selected as a semi-finalist in the John F. Kennedy School of Government at Harvard University, *Innovations in American Government*. In 2003, the program was a recipient of the Ohio Housing and *Governor's Award for Excellence*. Pike County's program has been awarded funding through the SBA's PRIME Program.

The Workforce & Business Development Program's Microenterprise/Small Business Lending Program currently has loan dollars available for local small businesses. Loan dollars of up to \$50,000 may be used for most small business needs. With competitive interest rates, there are two specific requirements for qualifying for a loan: a completed written business plan and 100% collateral. The Business Development Program can provide more specific information about the Microenterprise/Small Business Lending Program as well as information on other developmental programs.

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# FACTS

Activity from 1994 through June 30, 2019

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Loans  
Approved:

**113**

Business  
Start-ups/Expansions:

**166**

Dollars  
Loaned:

**\$ 3,091,140**

Jobs Created  
or Retained:

**515**

Dollars  
Leveraged:

**\$ 6,035,432**

Participants completing  
Business classroom training:

**441**

Average  
Loan:

**\$ 27,355**

Enrolled in Small Business  
Development Program:

**1,284**

## Starting a Business 1<sup>st</sup> Stop Business Connection

The 1<sup>st</sup> Stop Business Connection, a program sponsored by the Ohio Department Services Agency's Small Business Development Centers and the U.S. Small Business Administration, provides FREE state-level information needed to get started or continue on your entrepreneurial journey.

<http://business.ohio.gov>

Your FREE business information kit will contain the basics all business must know and the state-level regulations and forms specifically for your business. You will still need to check federal and local regulations before starting your business.

If you would like to have a business information kit sent to you through U.S. mail, please call us toll free at **1-800-248-4040** or 614-466-4232.

The screenshot shows the business.ohio.gov website. At the top left is the logo 'business.ohio.gov'. On the right, there are navigation links: 'START a Business', 'MANAGE a Business', 'GROW a Business', a search icon, and a help icon. The main content area features a large banner with the text 'Start a Business' and '1st Stop Business Connection'. Below the banner, there are two columns of content. The left column is titled 'Startup Guide' and contains the text 'Review Starting Your Business in Ohio for guidance on getting your business started in Ohio.' with a 'DOWNLOAD' button. The right column is titled 'Financing Guide' and contains the text 'Review Business Finance Opportunities for help planning your business finances.' with a 'DOWNLOAD' button. Below these columns is a 'Checklists' section with the text 'See if a checklist is available for the specific type of business you're opening.' and a search box containing 'Accounting, Tax Preparation, Bookkeeping & Payroll Services' with a 'GO' button. At the bottom of the checklists section, it says 'All checklists are in PDF format. Get free Adobe Acrobat Reader.'

# **Personal Evaluation Checklist for Starting Your Own Business**

1. Do you like to make your own decisions?
2. Do you enjoy competition?
3. Do you have will power and self-discipline?
4. Do you like people and get along well with them?
5. Do you have good health?
6. Do you consider yourself a leader?
7. Do you get things done on time?
8. Can you live without taking money from the business for the first year?
9. Do you adapt well to changes?
10. Are you confident?
11. Are you aware that running your own business may require working 12-16 hours a day, six days a week, and maybe even Sundays and holidays?
12. Do you stick with a project until it is completed?
13. Do you have the physical and emotional stamina to handle the work load and schedule?
14. Is your family prepared to possibly lower your standard of living until your business is firmly established?
15. Do you have work experience in the type of business you are considering?
16. Do you have any business training?
17. Can you set limits?
18. Can you juggle multiple tasks/obligations well?



## **Microenterprise/Small Business Lending Program**

The Microenterprise/Small Business Lending Program enables individuals and business owners in Adams, Brown, Highland, Lawrence, Pike, Jackson, Ross, and Scioto Counties to gain access to capital for their start-up or expanding businesses. The program consists of a Revolving Loan Fund in which interest rates are competitive.

The Microenterprise/Small Business Lending Program is a comprehensive model that offers a means to achieve economic self-sufficiency through a combination of personal and business development and loans. This model is aimed at those excluded from the economic mainstream. By building long-term relationships with clients, it works toward development of the whole person, through business training and personal progress, known collectively as technical assistance.

Applicants need to submit a written business plan. Personal, as well as business financial information is required. In the case of a start-up, three years of projected financial information along with three years of personal tax returns must be submitted. In the case of an existing business, three years of historical information, as well as three years of projected financial information must be submitted. Applicants are strongly encouraged to contact the Business Development Staff at the Community Action Committee of Pike County prior to submitting any information in order to acquaint the staff with your business plan. The borrower(s) must be significantly involved in the operation of, as well as own, at least 30% of the business. The Community Action Committee of Pike County reserves the right to ask for any additional information necessary to protect the assets of the Microenterprise/Small Business Lending Program.

**Lending Limits:** Small Business Loans from the Business Development Program can range from \$200 to \$250,000, with the exception of the USDA RMAP-sponsored loans which are capped at \$50,000 and the USDA RBEG-sponsored loans capped at \$100,000. Loans in excess of \$50,000 require the participation of some other form of financing. Rates and terms vary depending upon each business' ability to repay. Terms cannot exceed 20 years. Job creation criteria may apply depending on funding source.

**Eligible Uses:** Machinery, equipment, inventory, insurance, advertising, promotional materials, furniture and fixtures, supplies, leasehold improvements, utilities and working capital, commercial real estate, and building renovations. Refinancing is permissible. Equity investment can be made in the form of common or preferred stock, debentures or other legal methods negotiated between the Program and the client.

**Ineligible Uses:** Prototypes, investment institutions, land speculations, gambling, and illegal activities.

**Terms:** For information regarding interest rates, call the Business Development Program of the Community Action Committee of Pike County at 740.289.2371 or toll free at 1-866-820-1185.

Length of loans cannot exceed: 20 years - Commercial Real Estate  
10 years - Fixed Asset and Working Capital  
5 years - Working Capital only.

**Equity Investments:** Will only be made to C Corporations or Limited Liability Companies (LLC). Equity will be taken in the form of a stock purchase, debentures convertible to stock, or membership in the company. At a minimum, the Program will expect significant involvement in the business. Terms include, but are not limited to, a seat on the board and approval of the CFO. The Program will expect a return on investment to commiserate with the risk assumed, typically in excess of 15% per annum.

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## **APPLICATION FEES AND CLOSING COSTS**

Effective October 6, 2006, Community Action Committee of Pike County Business Development Program will begin accessing fees to those individuals requesting a loan through the Microenterprise/Small Business Lending Program. The reason for this decision is to help defray the cost in running the Program. The fees will be accessed toward submitting a loan application and for the cost in closing the loan. These two (2) areas are broken down as follows:

### **LOAN APPLICATION FEES:**

Loan request of up to \$10,000 will have a non-refundable application fee of **\$25**.

Loan request of \$10,001 to \$50,000 will have a non-refundable application fee of **\$50**.

Loan request of \$50,001 to \$250,000 will have a non-refundable application fee of **\$100**.

### **LOAN CLOSING COSTS:**

- 1% of the loan
- Title Lien(s) = \$10 x number of titles to secure
- Memo Title(s) = \$5 x number of titles
- First Credit Check = \$10; each additional credit check will be \$5 each
- Filing of UCC's = \$12
- Mortgage Filing Cost = \$28 for first two pages and \$8 for each additional page beyond two + \$4 reference fee
- Title Search Cost
- Legal costs related to the preparation of loan documents and title search, if applicable.