

The City of Tacoma Community and Economic Development Department (CEDD) presents the following financing programs as part of its efforts to support the Tacoma City Council's strategic goals:

- Safe, clean and attractive community;
- Diverse, productive and sustainable economy; and
- High performing, open and engaged government.

These programs are designed primarily to provide gap financing, which is often used in combination with the borrower's equity and lending institution debt. Some of the loan programs may be combined.

In addition, the CEDD Economic Development Services Division offers the following:

Business Support Services: Retention, Expansion and Attraction

- Business Community Outreach
- Access to Marketing Information
- Small Business Consultative Services
- Development Services
- International Services
- Community Organization Services

Site Readiness Services/Product Development

For further information on these services, please call (253) 591-5624.



<https://makeittacoma.com>

Additional Loan Program Requirements

¹ Must meet EDA requirements: comply with Davis-Bacon Act prevailing wages; and conduct NEPA review.

| | Business Façade Improvement Loan Program (TCRA Approval) | Fire Safety Loan Program (TCRA Approval) | Historic Rehabilitation & Repair Loan Program (TCRA Approval) | Grow America Fund (SBA 7a) (National Development Council Approval) | EDA – Title IX Revolving Loan Fund (Small Business RLF) ¹ (TCRA Approval) |
|--------------------------------------|--|--|--|---|--|
| QUALIFIED BORROWER | Business owner/operator, property owner or developer | Business owner/operator, property owner or developer | Business owner/operator, property owner or developer | Business owner/operator, property owner or developer | Business owner/operator, property owner or developer |
| USE OF FUNDS | Commercial façade improvements to include items such as ingress, egress, lighting, signage, etc. | Commercial fire safety improvements approved by Tacoma Fire Department and not related to a change in use of the building. | Rehabilitation, repair or adaptive reuse of Tacoma buildings listed on Tacoma Register of Historic Places. | Acquisition of commercial land/buildings, site/tenant improvements, purchase of machinery/ equipment, working capital, debt restructuring, soft costs | Acquisition of commercial land/buildings, purchase of machinery/ equipment, site/tenant improvements, working capital, soft costs |
| FINANCING AMOUNT | \$5,000 to \$50,000 | \$5,000 to \$50,000 | \$20,000- \$100,000 | \$100,000 - \$5 million | \$25,000 - \$300,000 |
| JOB CREATION/RETENTION | None | None | None | N/A | 1 permanent full-time equivalent job for every \$100,000 borrowed |
| FINANCING STRUCTURE (% PROJECT COST) | 50% of project costs, not to exceed \$50,000 | 50% of project costs, not to exceed \$50,000 | 50% of project costs, not to exceed \$100,000 | Borrower equity: 0-30% Grow America Fund: 70-100% | Borrower equity: 10-30% 1 st Lender: approx.. 37-80% EDA RLF: approx.. 10-33% |
| PREVAILING WAGE | Not applicable | Not Applicable | Not Applicable | Not applicable | Applicable to on site/tenant improvements only |
| LOAN TERM, AMORTIZATION PERIOD | 5 year term. Amortized up to 10 years. | 5 year term. Amortized up to 10 years. | 5 year term. Amortized up to 10 years. | Up to 25 years based on asset life; up to 10 years for working capital | Amortized up to 25 years based on asset life and up to 7 years for working capital—all with a 5-year call |
| INTEREST RATE | 3% fixed | 2% fixed | 10-year U.S. Treasury Note plus 1% | Negotiated – range from somewhat below prime to prime + 2.75% | The lower of 4% or 75% of prime rate |
| FEES (% OF LOAN) | 1% of loan plus closing costs | 1% of loan plus closing costs | 1% of loan plus closing costs | Variable guaranty fees plus closing costs | Non-refundable \$150 application fee, closing costs and 1% loan fee paid at closing |
| SECURITY | Collateral lender. Lien on fixed assets, personal guarantees from business owner(s) secure the loan. | Collateral lender. Lien on fixed assets, personal guarantees from business owner(s) secure the loan. | Collateral lender. Lien on fixed assets, personal guarantees from business owner(s) secure the loan. | Flexible (not a collateral lender); personal guarantees or liens on assets | Collateral lender. Lien on fixed assets, personal guarantees from business owner(s) secure the loan. |
| CONTACT INFORMATION | Will Suarez City of Tacoma Comm. & Economic Development (253) 591-5590 will.suarez@cityoftacoma.org | Will Suarez City of Tacoma Comm. & Economic Development (253) 591-5590 will.suarez@cityoftacoma.org | Will Suarez City of Tacoma Comm. & Economic Development (253) 591-5590 will.suarez@cityoftacoma.org | Sheldon Bartel National Development Council Grow America Fund (614) 499-0476 sbartel@ndconline.org | Will Suarez City of Tacoma Comm. & Economic Development (253) 591-5590 will.suarez@cityoftacoma.org |