



Town Council

Terry W. Mullins, Vice Mayor  
Jennifer R. Boyd  
Jack T. Murray, Sr.

**TOWN OF TAZEWELL**  
P.O. Box 608 – 201 Central Avenue  
Tazewell, Virginia 24651-0608  
(276) 988-2501

[www.townoftazewell.org](http://www.townoftazewell.org)

A.D. Buchanan, Jr., Mayor  
Todd Day, Town Manager

Chris R. Brown  
David H. Fox  
Glenn L. Catron

## **Town of Tazewell Small Business Loan Fund Overview**

First and foremost I want to welcome you to our application process for funds to assist in making your dream as an entrepreneur come true. The Town of Tazewell along with the US Department of Agriculture Rural Development is pleased to provide you with the attached packet of information to help you develop application for funding through our “Tazewell Small Business Revolving Loan Fund”.

### **THIS IS NOT A GRANT NOR IS THE TOWN OF TAZEWELL TO BE CONSIDERED A PRIMARY LENDING INSTITUTE.**

These funds are designed to be used as the third or later lending party with owner equity investment and other loan funds to provide monies for qualifying startup and expanding businesses within the Town of Tazewell. This is NOT a single source lending program and in order to qualify other lending institutes must already be on board with commitments of potential loan funds.

The purpose of this program is to assist small or emerging businesses located or locating in the Town of Tazewell. The funds will be made available for the purpose of acquisition and development of land, easements, and right-of-ways; construction, conversion, enlargement, repair and/or modernization of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities, and pollution control and abatement facilities; Loans for startup operating costs and working capital; and other business needs. All funds being considered will also follow the Town of Tazewell Zoning Regulations and State and Federal laws that may apply.

To ensure that funding is utilized in a manner that will best serve the purposes for which it was established, all requests for funding must meet the criteria outlined below:

1. The business must be located in the Town of Tazewell.
2. Applicants seeking funding for property improvements must submit a detailed plan of proposed improvements subject to the review of the Loan Review Committee. Applicant must be prepared to show financial status and have a satisfactory financial background.

**Town of Tazewell Small Business Loan Fund Overview**  
**Page 2**

3. All applicants seeking funding must commence the property improvements, expansions, or construction within eight months of receiving funding. A project that does not abide by this timeline would constitute an event of non-compliance requiring immediate recapture of the loan balance. Upon initial notification of non-compliance, the recipient may request a remediation period for successful resolution of the non-compliance.
4. No assistance for any project will exceed \$10,000 without substantial evidence of significant economic and social benefit to the Town of Tazewell.
5. One permanent job must be created or retained for every \$5,000 of funds loaned for the purposes of start-up or expansion, and the RLF can be no more than 75% of the total project cost.
6. The minimum private (business/owner) investment or equity in the project is 30% of the project cost.
7. There must be evidence that program loan funds are necessary to make the proposed project feasible.
8. There must be evidence that the project is feasible and that the business requesting assistance can continue in the foreseeable future.
9. Financial and business plans are required within the application process and subject to thorough review.
10. The project must be eligible under the United States Department of Agriculture guidelines to receive funding.
11. There must be evidence that no significant negative land use or environmental impacts will occur as a result of the project.
12. Employees of USDA-RD or persons related to employees of USDA-RD are not eligible for lending from the RLF.