

Minority Business Development Program (MBDP)



Program Guidelines

Office of Economic Development

Louis Redding Building – 3rd floor

800 N. French Street

Wilmington, DE 19801

**City of Wilmington
Minority Business Development Program
Brief Description**

INTRODUCTION

The Minority Business Development Program (MBDP) has been created to provide financial and technical assistance to qualified small neighborhood businesses in the City of Wilmington.

The initiative is available to new ventures as well as existing businesses which are located in targeted neighborhood areas.

The MBDP offers financial assistance to improve the economic viability of the applicant's business enterprise. Funding, in the form of affordable loans, can be used for working capital; building acquisition; the purchase of fixed assets, supplies and equipment; engineering, architectural and legal assistance; new construction and renovation; inventory; commercial liability insurance; security systems; and advertising and marketing.

The applicant must be current in the payment of all City of Wilmington taxes and fees.

Technical assistance is made available as well, in order to enhance the applicant's business knowledge and skills and to create a better working and business environment in order to improve efficiency and competitiveness.

**City of Wilmington
Minority Business Development Program (MBDP)**

1. Guidelines

The MBDP Loan Program will be administered by the City of Wilmington's Mayor's Office of Economic Development, in cooperation with the Wilmington Economic Development Corporation (WEDCO) and the First State Community Loan Fund.

2. Eligibility

Any applicant must meet the following criteria in order to qualify for the MBDP Loan Program:

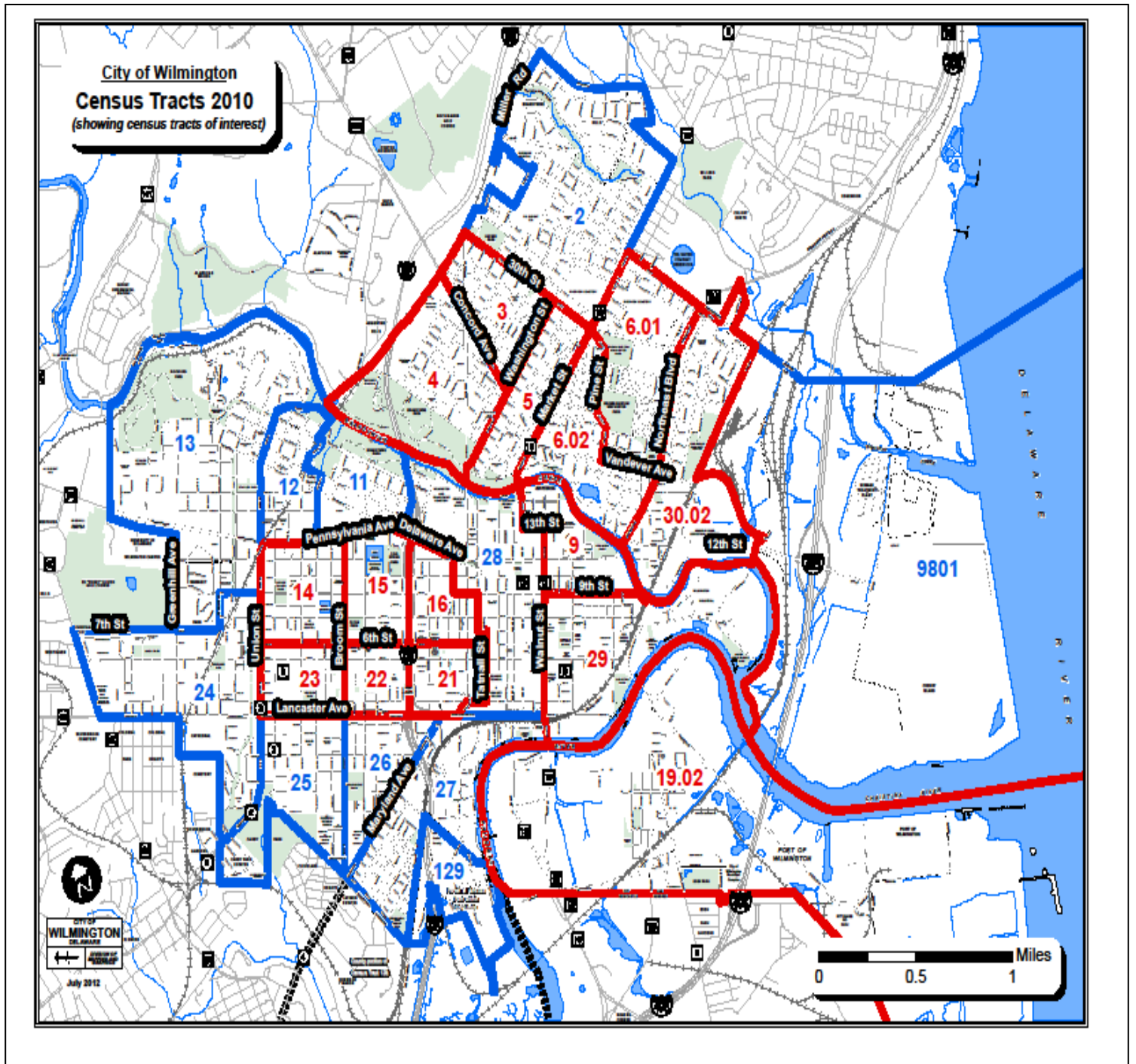
- a) The business must be located within the City of Wilmington Census Tracts 3, 4,5,6.01,6.02,9,14,15,16,19.02,22,23 and 30.02;
- b) The business must be classified as a disadvantaged business (as defined by Wilm. C. Code § 35-132);
- c) The business must employ fewer than 19 full-time equivalent (FTE) employees;
- d) A completed business plan must be available;
- e) Applicants must be of at least 18 years old and must have full management and control of the business; and
- f) Applicant must have a valid city business license at the time of application.

The following businesses are not eligible for the MBDP Loan Program:

- a) National chains and distributors;
- b) Non-Profit agencies;
- c) Liquor stores or taprooms;
- d) Cash/title loan outlets; and
- e) Gentlemen's clubs, strip clubs, peep shows or x-rated entertainment venues.

3. Terms and Uses

- a) The minimum loan amount is \$2,500;
- b) The maximum loan amount may not exceed \$25,000;
- c) The loan interest rate will be 3%, with terms of 5,10 or 15 years;
- d) Funds may be used for working capital; building acquisition; purchase of fixed assets, supplies and equipment; engineering, architectural and legal assistance; new construction and renovation; inventory; commercial liability insurance; security systems; and advertising and marketing.



**City of Wilmington
Minority Business Development Program
Loan Application/Approval Process**

Loan applications may be obtained from the Mayor's Office of Economic Development by one of the following methods:

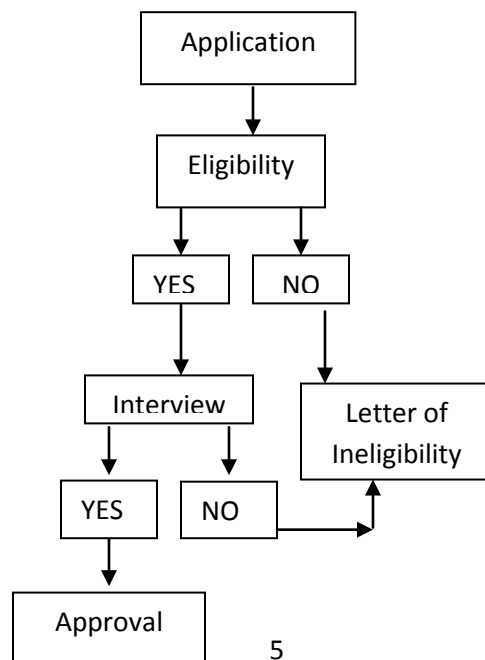
- 1) Calling – (302) 576-2121;
- 2) Submitting a written request to:
City of Wilmington
Mayor's Office of Economic Development
3rd Floor
800 North French Street
Wilmington, Delaware 19801
Attn: MBDP; or

- 3) On Line at www.WilmingtonDE.gov, under the "Minority Business Enterprise Office".

Loan applications should be submitted to the City of Wilmington, Mayor's Office of Economic Development at the above address. If the applicant is determined to be qualified, the application and supporting information will be submitted to the Wilmington Economic Development Corporation (WEDCO) or the First State Community Loan Fund for evaluation and approval by a Loan Review Committee.

If approval is recommended, following an interview with the applicant(s), a loan agreement will be executed between the applicant, the City and the financial institution. If ineligible, the applicant will be notified of that determination by mail.

**Application
Process**



City of Wilmington
Minority Business Development Program (MBDP)
Loan Qualification Application

(Please print or type – illegible or incomplete applications will not be considered)

I. Business Information

Business Name (as it appears on business license)

Business Address (as it appears on business license)

Business License #

Business License Expiration Date

Business Telephone

Business Fax

Cellular Phone

Owner(s) Name(s)

Owner's Home Address

Owner's Home Telephone

Owner's Cellular Phone

Type of Business

Number of Full-Time Employees

Number of Part-Time Employees

Years in Business

Percent Minority Ownership (Applicant)

Describe

II. **Loan Purpose** \$ _____

Amount of funding request

- | <u>Usage</u> | <u>Description</u> | <u>(\$)</u> Estimate |
|--|--------------------|----------------------|
| <input type="checkbox"/> Working Capital | | |
| <input type="checkbox"/> Building Acquisition | | |
| <input type="checkbox"/> Fixed Assets | | |
| <input type="checkbox"/> Supplies, Equipment | | |
| <input type="checkbox"/> Engineering, Architectural or Legal | | |
| <input type="checkbox"/> Construction/Renovation | | |
| <input type="checkbox"/> Inventory | | |
| <input type="checkbox"/> Commercial Liability Insurance | | |
| <input type="checkbox"/> Security System | | |
| <input type="checkbox"/> Advertising/Marketing | | |

III. Personal Data

- a. Do you own the building in which the business operates? Yes No
- b. Are any of the owners employed by the City of Wilmington? Yes No
- c. Are you indebted to the City of Wilmington in any way? Yes No
- d. Do you have a business plan? Yes No
- e. Do you have a budget? Yes No
- f. Are you willing to participate in Business Development Training? Yes No

IV. If you are an eligible applicant for a new business you will be required to provide the following items:

- a. Current business plan and budget;
- b. Personal federal tax return for the past two (2) years;
- c. Summary of personal finances and indebtedness;
- d. Resumes of owners/key management;
- e. Projections of working capital needs and sources and
- f. Confirmation of valid city business license.

If you are able to provide these materials in a timely manner, check here

If not, explain _____

V. If you are an established business, you will be required to provide the following items:

- a. Last two (2) years of business financial statements (include balance sheet cash flow statement);
- b. Federal tax returns (business) for the last two (2) years;
- c. Federal tax returns personal for the last two (2) years;
- d. Two (2)-year financial projections;
- e. Interim financial statement dated within the last 60 days;
- f. Aging of accounts receivable and accounts payable;
- g. Personal financial statement (SBA form 413);
- h. Resumes of owners/key management;
- i. Working capital projections; and
- j. Current (updated) business plan.

Minority Business Development Program

If you are able to provide these materials in a timely manner, check here

If not, explain _____

Are you interested in receiving information regarding the City of Wilmington's Disadvantaged Business Enterprise Program that provides other supporting initiatives to help strengthen and stabilize minority businesses?

Yes _____ No _____ Email _____

My signature below indicates that I have read this document and fully understand its contents.

The information submitted on this document is correct to the best of my knowledge and changes will be reported immediately.

Applicant's Name (Please Print)

Date

Applicant's Signature

Date

Please return the completed application to:

**City of Wilmington
Mayor's Office of Economic Development
3rd Floor
800 North French Street
Wilmington, Delaware 19801
Attn: MBDP Program**