

Help for businesses with funds to grow

For almost 30 years, ECRDC has worked with local businesses to strengthen or grow their companies in East Central Minnesota. The revolving loan fund provides not only funds but also a way to help retain and create jobs in the region.



Do you have a gap in your financing?

ECRDC PROVIDES GAP FINANCING TO BUSINESS PROJECTS THAT OFFER JOB CREATION AND ECONOMIC OPPORTUNITY

Contact us at



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EAST CENTRAL
Regional Development Commission
ECRDC.org • (320) 679-4065
100 Park St S, Mora, MN 55051



Gap financing for East Central Minnesota businesses

Revolving Loan Fund



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About East Central Regional Development Commission

Since 1994, East Central Regional Development Commission (ECRDC) has leveraged over \$14 million in financing to assist regional companies maintain, pivot, or grow their business and diversify the local and regional economy. This work has also helped to retain or create hundreds of jobs. In addition to providing funds, technical assistance and other valuable business resources are also offered as support.

Serving Chisago, Isanti, Kanabec, Mille Lacs and Pine Counties

To be considered, loan projects must be located in the ECRDC service region of Chisago, Isanti, Kanabec, Mille Lacs or Pine Counties.

Loans through ECRDC help to:

Create or retain permanent, private sector full-time jobs in the region

Provide capital for business development and expansion within the region

Leverage other public and private investment in order to achieve the maximum number of jobs per loan fund dollar

Bolster the local tax base



Types of eligible loan projects:

Acquisition and/or improvements of land, buildings, plant and equipment

New construction or renovation of existing facilities

Machinery purchases

Demolition and site preparation



Revolving Loan Fund

Participation Criteria

- Exhausted traditional financing opportunities
- Leverage new investment by a local lender
- Borrower's equity contribution is at least 10% of the total project cost
- Goal is to create or save one (1) full-time job for every \$10,000 in Loan Fund dollars

Collateral Requirements

Loans will be secured and collateralized by any assets and possible security position determined appropriate by the Loan Committee

Loan terms, rates and fees

- Average loan is 5 to 7 years
- No more than 49% of the cost of a project that does not include local bank participation
- Rates fluctuate and are comparable to banks. May be charged on a stepped or gradual schedule
- Origination fees are used for the administration of the fund and is equal to 1% of loan and legal fees