

**ECONOMIC DEVELOPMENT STAFF REVIEW
NORTH DAKOTA DEPARTMENT OF COMMERCE/DCS**

SFN 52340 (10/08)

1. Applicant:

2. Name of Business(es)
Activity(s)/Brief Description:

3. Activity Cost:

Activity	CDBG	HOME	ESGP	HOPWA	Other Federal	State/ Locals	Private	Other*	Total
Administration									
TOTAL									

4. Percent of CDLF Funds for Administration: _____%
Percent of Public Funds for Administration: _____%

DETERMINATION OF ELIGIBILITY FOR ECONOMIC DEVELOPMENT

A. National Objective

- Benefit to low and moderate income persons/households
- Prevention or elimination of slums and blight
- Activities designed to meet community development needs having a particular urgency

B. Economic Development Eligibility Requirement

- Activity to be carried out in a neighborhood consisting predominantly of persons of low and moderate income and provides services for such persons.
- Activity involves facility designed for use predominantly by persons of low and moderate income
- Activity will involve employment of persons, a majority (51%) of whom are of low and moderate income

PROPOSED EMPLOYMENT		
FTE Positions		Percentage of Low & Moderate Income
Created	Retained	

C. Need for CDBG Funding

- Inadequate equity
- Inadequate private lender financing
- Inability to pay market rates
- Excessive site development costs
- Inability to qualify for other state & federal financing programs
- Need for incentive financing
- Other: _____

BUSINESS DESCRIPTION - SUMMARY OF BUSINESS PLAN

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PRODUCTION ANALYSIS

- Plant
- Identification of Supplier
- Cost Breakdown

ANALYSIS OF PROPOSED FINANCIAL PACKAGE

- Proposed Terms
- Financial Package - Are project cost reasonable?
- Financing Alternatives - Are other source of financing committed?
- CDBG justification funds are not substituted for non-Federal financial support
- Analysis of Financial Statements - Is the project financially feasible with the proposed terms?
- Review appropriateness of projections of revenues, expenses, debt service and return on equity investments in the project
- Evaluate the financial viability of the project
- When does the project reach a break even point?
- Support Information

MARKETING AND DISTRIBUTION ANALYSIS

- Define Market & Trend
- Competition: Price & Cost
- Testing & Support
- Marketing Strategy
- Adequacy of Distribution System
- Commitment of Distributors
- Pricing Strategy
- Purchase Commitment or Interest

MANAGEMENT ANALYSIS

- Adequacy of Management Team
- Identification of Team Deficiencies

RECOMMENDATION

- Conclusions - the amount and terms of the assistance should allow the principal a reasonable return for that investment, local conditions and the risks
- Contingent Requirements
- Special Conditions - personal guarantees, financial statements, etc.
- Recommended Award & Terms
- Security Position

PUBLIC BENEFIT ANALYSIS

- Number of jobs created, number of LMI jobs to be created, types of jobs created, education required for position, etc.
- Type of goods or services provided.
- Other development which is likely to be stimulated in the area by the activity funded.
- Increases to the tax base including property, sales, and income taxes in the area.
- Increases in needed services which result from the activity.