

# Ohio Rural Business Growth Program Application

**2018**



**John R. Kasich**, Governor

**Development  
Services Agency**

**David Goodman**, Director

## Application Instructions

This document provides guidance on the required information and documentation for an application to the Rural Business Growth Program. Please read all instructions carefully before compiling an application and contact Carrie Manno in the Office of Strategic Business Investments at [carrie.manno@development.ohio.gov](mailto:carrie.manno@development.ohio.gov) or 614-466-6667 regarding any questions about the application.

- The application is available online at: [www.development.ohio.gov/bs/bs\\_orbg.htm](http://www.development.ohio.gov/bs/bs_orbg.htm)
- Fill out the application electronically and print out for submission with the original signature of the authorized representative for the applicant. Include all attachments identified in the application.
- Each attachment must be appropriately tabbed to delineate its location in the submission.
- Only original signatures of the applicant's authorized representative will be accepted.
- Applicants must provide the following:
  - One completed original application, and required attachments, in hard copy form;
  - A non-refundable application fee in the amount of \$5,000 made out to "Treasurer, State of Ohio"
- Applicants may submit forms and payment via U.S. mail, delivery service or in person to:

Ohio Rural Business Growth Fund Program Manager  
Ohio Development Services Agency, Office of Strategic Business Investments  
Attn: Carrie Manno  
77 S. High Street, 28<sup>th</sup> Floor  
Columbus, OH 43215

## Application Round Timeline

The following dates are important deadlines for the Application Round:

- **Applications are Available:** March 23, 2018 at 12:00 p.m.
- **Applications accepted:** Beginning April 6, 2018 at 9:00 a.m.

The application period will be closed once the entire \$45 million tax credit allocation has been awarded. ODSA will post the notification of the closed application period on the program's webpage: [www.development.ohio.gov/bs/bs\\_orbg.htm](http://www.development.ohio.gov/bs/bs_orbg.htm)

## Allocation Decision

Applications will be accepted on a first come, first reviewed basis. All applications submitted on the same day are considered to be submitted simultaneously.

The tax credit allocation for the program is \$45 million dollars. Applicants may request all or a portion of the allocation. Beginning with the initial submitted application, and continuing in submittal order, ODSA will subtract the application's credit-eligible capital contribution from the tax credit allocation until the entire tax credit allocation is utilized. If approving simultaneously submitted applications results in a negative tax credit allocation balance, ODSA will proportionately allocate the remaining available tax credit allocation among the applications.

**Applicant Certification Form**

I hereby certify to the state of Ohio, through the Ohio Development Services Agency, that I hold the position and title set forth below and that I am duly authorized by the applicant to submit this application for Ohio Rural Business Growth Fund. The information provided by the applicant is true, correct, and complete. The Ohio Development Services Agency will rely on the information provided in this application to make a determination with respect to an award of economic development assistance, and I acknowledge that certain false statements made in this application may subject the applicant to criminal liability and failure to provide requested information may cause the applicant to be ineligible to receive this or any future economic development assistance from the state of Ohio.

By submitting this application, I agree to be bound by the Terms and Conditions of the Ohio Rural Business Growth Program as established by the Ohio Development Services Agency.

Authorized Representative's Signature:

\_\_\_\_\_ Date: \_\_\_\_\_  
(Original Signature Only)

Print name of Authorized Representative: \_\_\_\_\_

Title of Authorized Representative: \_\_\_\_\_

- Trade Secret Declaration (check if applies; see page 4 for more information)  
This application does include information considered a "trade secret"

## Trade Secret Information

All Applicants are strongly discouraged from including in an Application any information that the Applicant considers to be a “trade secret”, as that term is defined in Section 1333.61(D) of the Ohio Revised Code. All information submitted in the Application is public information unless a statutory exception exists that exempts it from public release. If any information in the Application is to be treated as a trade secret, the Applicant must:

- Identify each and every occurrence of the information within the Application with an asterisk before and after each line containing trade secret information and underline the trade secret information itself.
- Check the ‘This application does include information considered a “trade secret”’ box on the Applicant Certification Form on page 3.
- Include a page immediately after the Application Instructions page that lists each page in the Application that includes trade secret information and the number of occurrences of trade secret information on that page.

To determine what qualifies as trade secret information, refer to the definition of “trade secret” in Section 133.61(D) of the Ohio Revised Code, which is reproduced below for reference:

(D) “Trade Secret” means information, including the whole or any portion or phase of any scientific or technical information, design, process, procedure, formula, pattern, compilation, program, device, method, technique, or improvement, or any business information or plans, financial information, or listing of names, addresses, or telephone numbers, that satisfies both of the following:

- (1) It derives independent economic value, actual or potential, from not being general known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
- (2) It is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The Ohio Development Services Agency requires non-disclosure agreements from all non-agency persons who may have access to Applications containing trade secret information, including evaluators.

**1. Applicant/Contact Information**

a. Applicant (Fund) Information

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
FEIN: \_\_\_\_\_  
Ohio Charter Number: \_\_\_\_\_  
Type of Entity: \_\_\_\_\_

b. Authorized Representative Information

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_

c. Contact Person Information (if different than Authorized Representative)

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_

**2. Allocation Request**

a. Credit-Eligible Capital Investment Amount: \_\_\_\_\_

This amount includes an investment of cash by an entity subject to the tax imposed by Ohio Revised Code Sections 3901.86, 5725.18, 5729.03 or 5729.06. This amount must equal 60 percent of the eligible investment authority amount for the fund.

b. Total Eligible Investment Authority Amount: \_\_\_\_\_

This amount represents the sum of the credit-eligible capital investment and cash investments. At least 10 percent of the fund's eligible investment authority shall be comprised of equity investments contributed by affiliates of the fund (including employees, officers and directors of such affiliates).

### 3. Applicant Designation

- a. Select the appropriate qualifying designation for the Applicant (or affiliate of the applicant):
- Rural Business Investment Company (under 7 U.S.C. 2009cc)
  - Small Business Investment Company (under 15 U.S.C. 681)

- b. Select the appropriate relationship for the qualifying designated entity:
- Applicant
  - Affiliate of the Applicant

- c. If the qualifying designated entity is an Affiliate of the Applicant, list the entity's information:
- Entity Name: \_\_\_\_\_
- FEIN: \_\_\_\_\_
- Ohio Charter Number: \_\_\_\_\_

- Attach verification of the qualifying designation as "**Exhibit A**".
- If the qualifying designated entity is an Affiliate of the Applicant, attach an organizational chart that verifies the relationship as "**Exhibit B**".

### 4. Historic Investment

- a. Attach an affidavit verifying:
1. The Applicant has investment more than \$100 million in operating companies; and
  2. The Applicant has invested at least \$50 million in operating companies located in rural areas.

For purposes of this investment verification, the Applicant's investment thresholds can also include investments made by affiliates of the applicant and investments made in businesses that would qualify as operating companies if the principal business operations were located in this state.

- Attach affidavit as "**Exhibit C**". A sample "Affidavit of Investment" can be found on page 8 for reference.

### 5. Industry Identification

The Applicant must provide a list identifying the proposed business industries and their subsequent North American Industry Classification System (NAICS) codes that are being considered for the fund's growth investments. Additionally, the Applicant must include the proposed percentage of growth investments it will make in each identified industry. This list will be considered a proposal by ODSA and not a formal commitment to each identified industry.

- Use the "**Exhibit D**" form on page 9 to provide this information.

The NAICS information can be found on the following website: <https://www.census.gov/eos/www/naics/> Please use the "2017 NAICS" reference file located on the bottom left-hand side of the page. A two-digit "sector" identification is not sufficient identification. The Applicant must provide a six-digit NAICS code for industry identification.

The "Percentage of Total Growth Investment" value should represent what percentage of the total eligible investment authority the Applicant is proposing to dedicate to each specific industry.

## 6. Employment Information

- a. Estimate the total retained Full-time Equivalent (FTE) Employees associated with the businesses receiving growth investments from the fund: \_\_\_\_\_
- b. Estimate the total new FTE employees associated with the businesses receiving growth investments from the fund: \_\_\_\_\_

These estimates should be based upon the Applicant's identified industries and percentages from Question #5/Exhibit D, or the Applicant's ten-year business plan analyzed in the Revenue Impact Statement.

The total Retained FTE employee estimate number should represent estimated employment values as of April 6, 2018. For estimation purposes, "Full-time Equivalent Employee" is calculated as:

$$\frac{\text{Total number of employee-paid hours in past 12 months}}{2,080}$$

## 7. Revenue Impact Assessment

- a. Attach the Revenue Impact Assessment for the Applicant's proposed growth investments as "**Exhibit E**". The assessment must be prepared by a nationally recognized third-party independent economic forecasting firm. The assessment must:
  1. Use a dynamic economic forecasting model;
  2. Analyze the Applicant's business plan over ten years following the date of application;
  3. Demonstrate the Applicant's business plan will result in a positive economic impact on the state of Ohio over a ten-year period by verifying the impact will exceed the cumulative amount of the Applicant's requested tax credit.

## 8. Investor Commitment

- a. Each investor making a credit-eligible capital contribution to the fund must submit a signed affidavit to that effect. The affidavit must include the following:
  1. Investor name
  2. Name of fund
  3. Amount of Investor's credit-eligible capital contribution

The aggregate amount of the investors' credit-eligible capital contributions as evidenced in the affidavits provided must total the amount identified in Question 2a.

- Attach each Investor Commitment Affidavit in a section marked as "**Exhibit F**". A sample "Affidavit of Commitment" can be found on page 10 for reference.

# Affidavit of Investment

State of \_\_\_\_\_

County of \_\_\_\_\_

The undersigned officer of \_\_\_\_\_ (the "Applicant") certifies that the Applicant has previously invested \$\_\_\_\_\_ in Operating Companies (as defined by Ohio Revised Code Section 122.15(G)), including \$\_\_\_\_\_ in Operating Companies located in Rural Areas (as defined by Ohio Revised Code Section 122.15(I)). In computing these investments, the Applicant may include investment made by affiliates of the Applicant and investment made in businesses that are not operating companies but would qualify as operating companies if the principal business operations (as defined by Ohio Revised Code Section 122.15(H)) were located in the state of Ohio. This record of investment is made in consideration of the filing by \_\_\_\_\_ of an Application for the Ohio Rural Business Growth Program.

By: \_\_\_\_\_

Name:

Title:

*Subscribed and sworn to before me this*

\_\_\_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
*(Signature of Notary Public)*

*My commission expires* \_\_\_\_\_

*(Notary Seal)*

\_\_\_\_\_



## Affidavit of Commitment

State of \_\_\_\_\_

County of \_\_\_\_\_

The undersigned officer of \_\_\_\_\_ (the "Investor") with federal employer identification number \_\_\_\_\_ certifies that the Investor irrevocably commits to invest \$ \_\_\_\_\_ into \_\_\_\_\_, subject only to the receipt of an allocation of tax credits associated with the Ohio Rural Business Growth Program. This commitment is made in consideration of the filing by \_\_\_\_\_ of an Application for the 2018 Ohio Rural Business Growth Program and is reflected in the Application to be submitted to the State of Ohio, Development Services Agency.

By: \_\_\_\_\_

Name:

Title:

*Subscribed and sworn to before me this*

\_\_\_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
*(Signature of Notary Public)*

*My commission expires* \_\_\_\_\_

*(Notary Seal)*

\_\_\_\_\_