



Rural Business Growth Program Application Guidelines

March 19, 2018

Definitions

- Except as otherwise provided, terms used in this document have the same meaning as Section 122.15, 122.151, 122.152, 122.153, 122.154, and 122.155 of the Ohio Revised Code (ORC).
- For purposes of this program, “Employment Position” and “Employees” have the same meaning as “Full-Time Equivalent Employee” as defined in Section 122.15 (E).

Funding

- The funding threshold includes allowances of \$75 million in Eligible Investment Authority and not more than \$45 million in Credit-Eligible Capital Contributions.
- Submitted applications shall be numbered in the order they are received. Applications received on the same day will be given the same order number.
- Beginning with the first submittal and continuing in order, the Ohio Development Services Agency (ODSA) will aggregate the Credit-Eligible Capital Contribution from each authorized application until the \$45 million threshold is met.
- If approving simultaneously submitted applications would result in awards exceeding the \$45 million threshold, ODSA will proportionately reduce the Credit-Eligible Capital Contribution among the applications to maintain the \$45 million cap.
- To calculate the pro-rated values of simultaneously submitted applications which exceed the cap, ODSA will aggregate the Credit-Eligible Capital Contribution requests of applications (Sum Request), identify the remaining unallocated threshold amount from the \$45 million (Remaining Balance) and divide the remaining balance by the sum request (Coefficient). The Coefficient will then be multiplied by each application’s Credit-Eligible Capital Contribution and Eligible Investment Authority requests to determine the new, pro-rated amount.

Application Procedures

- ODSA will make the application available at 12:00 p.m. EST on Friday, March 23, 2018.
- The application will be available online at www.development.ohio.gov/bs/bs_orbg.htm
- The applicant must complete the fillable PDF application and provide a paper copy with original signatures, all required attachments and the \$5,000 non-refundable application fee to be considered a complete application.
- Applications will be accepted beginning at 9:00 a.m. on Friday, April 6, 2018.

- Forms and payment may be submitted via U.S. mail, delivery service or in person to:

Ohio Rural Business Growth Program
Ohio Development Services Agency, Office of Strategic Business Investments
Attn: Carrie Manno
77 S. High Street, 28th Floor
Columbus, Ohio 43215

- An application cannot be amended once it has been submitted to ODSA, other than a cure request initiated by ODSA.

Application Information Requirements

- The following items are required with the application submission:
 - Information used to identify the proposed Rural Business Growth Fund.
 - Total Eligible Investment Authority and Credit-Eligible Capital Contributions requested.
 - Verification that the applicant or an Affiliate of the applicant is an eligible applicant. An eligible applicant or Affiliate may be either:
 - Licensed as a rural business investment company under 7 U.S.C. 2009cc
 - Licensed as a small business investment company under 15 U.S.C. 681
 - The applicant will be required to provide documentation proving that the applicant or an Affiliate of the applicant maintains a license identified above.
 - Verification of the Affiliate's relationship with the applicant, if applicable. To verify an "Affiliate" as defined in ORC 122.15(A), the applicant must provide an organizational chart to ODSA to confirm the controlling relationship.
 - Attestation via a notarized affidavit that the applicant has invested more than \$100 million in Operating Companies, including at least \$50 million in Operating Companies located in Rural Areas. These 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 the state of Ohio. An example of an acceptable affidavit can be found on the program's website.
 - A list of proposed industries, identified by their six-digit North American Industry Classification System designation, in which the applicant may invest funds. Applicants must also identify the proposed percentage of investment that may be made in each listed industry.
 - An estimate of the number of retained and new Full-Time Equivalent Employees ("FTEs") that will result from the applicant's Growth Investments.
 - A revenue impact assessment for the applicant's proposed Growth Investment prepared by a nationally recognized third party independent economic forecasting firm. The assessment must cover the applicant's 10-year business plan and demonstrate that the applicant's plan will result in a positive economic impact to the state over the 10-year period that exceeds the amount of tax credits that would be issued if the application were approved.

- Signed affidavits from each investor committing to make a Credit-Eligible Capital Contribution to the proposed Fund, including the investor's name, amount of capital contribution, and any other information requested by ODSA. The form of investor affidavit will be made available on the program website identified above.
- A nonrefundable application fee of \$5,000.

Application Review/Cure Process

- ODSA is required to review and determine an application's eligibility within 60 days of receipt of the application. Eligibility is based upon the criteria established in ORC 122.15(A), listed above.
- Applications may be denied under the following circumstances:
 - The application is incomplete.
 - The application fee is not fully paid.
 - The application does not submit the information required in the above "Application Information Requirements" section, in accordance with ORC 122.15(A)(2).
 - The revenue impact assessment does not show a positive economic impact on the state over a 10-year period that exceeds the amount of tax credits that would be issued if the application were approved.
 - The Credit-Eligible Capital Contributions do not equal 60 percent of the total amount of Eligible Investment Authority requested.
 - ODSA has already approved the maximum total Eligible Investment Authority and Credit-Eligible Capital Contributions allowed.
- If the application is denied, ODSA shall send notice to the applicant which will include the reason(s) for the denial.
- If the denial is for any reason other than lack of available allocation authority, the applicant may provide additional information to complete, clarify, or cure the defects in the application as identified by ODSA.
- The applicant must provide additional information to ODSA within 15 days after the notice of denial was dispatched by ODSA for the application to be reconsidered.
- If ODSA denies an application and approving the next application would result in exceeding program funding limitations, ODSA shall refrain from making a determination on subsequently submitted applications until the denied application is reconsidered or the 15-day cure period expires without response.
- If additional information is submitted within 15 days, ODSA will reconsider the additional information within 30 days of receipt.
- If the additional submitted information does not result in application eligibility, ODSA will send a final denial determination letter to the applicant.
- The applicant may submit a new, complete application at any time after the 15-day cure period has passed without response or a final denial determination letter has been sent.

Fees

- Each application must include a \$5,000 non-refundable application fee.