

## ECONOMIC DEVELOPMENT NEWS

### Brandon Revolving Loan Fund

Economic Development, like quality-of-life is a nebulous term bringing many different ideas to mind. Walk down the street, ask five people and one will get five different definitions; it is a confusing concept to understand. Different approaches have been tried all with different levels of success, but a tried-and-true approach involves starting a Revolving Loan Fund. Brandon HAS a revolving Loan Fund that any individual or business, residing or operating within the Town of Brandon can access for start-up capital or expansion purposes.

A basic definition of a Revolving Loan Fund (RLF) is a source of money from which loans are made for small business development projects. A loan is made to one person or business at a time and, as repayments are made, funds become available for new loans to other businesses. Hence, the “MONEY REVOLVES” from one person or business to another.

The fund is often established with capital that does not need to be repaid. Borrowers tend to be small producers of goods and services. Any person or business can apply as long as they meet the criteria that have been established. RLF loans are often used to fill a “financing gap” of a business development project. The ultimate goal is for these entrepreneurs to become financially independent and eligible for loans from traditional commercial banks or other lending sources.

The application process asks basic question and for certain information to be provided. The application and supporting documentation is submitted to Brandon’s Revolving Loan Fund Committee who then meets with the applicant to discuss the project and render their recommendation to the Brandon Select Board. The applicant may apply for any amount up to and including \$80,000. The Brandon Select Board has the ultimate authority to approve the loan. All the information and documentation remain confidential -shared only with the RLF Committee and the Select Board.

Steve Beck, Brandon’s Economic Development Officer is the go-to person in the Town Offices. Contact him at 247.3635 or [brandondoesit.beck@gmail.com](mailto:brandondoesit.beck@gmail.com) for more information. If you think you have a viable idea to provide a service or product to the community the RLF is something that may help bring it to fruition.