

NEBRASKA PROGRESS LOAN FUND (NPLF)

The Nebraska Department of Economic Development provides loans to growing businesses to acquire matching private investment for expansions and to develop or modify new and existing technologies.

ELIGIBLE BUSINESSES:

For-profit small businesses engaged in any singular or combination of the following activities: research and development, scientific testing, manufacturing, data processing, telecommunications, distribution, storage/warehouse transportation, administrative headquarters, targeted export services; or small businesses realizing 75% of sales outside Nebraska or to the U.S. Government in the areas of cloud computing, software development, computer system design, product testing services, guidance or surveillance systems, technology licensing services, data centers, and internet web portals.

PROGRAM BENEFITS:

- Encourages private lender participation by improving the debt and collateral coverage of the participating lender
- Minimum loan of \$50,000
- Maximum interim loan of \$5 million; longer term loan \$2 million
- Interim loan equal to or less than three years; longer term loans more than three but less than five years
- 0% to 4% interest rates
- Deferred loan payments

ELIGIBLE ACTIVITIES:

\$9 million offered as loans for start-up costs, working capital, business procurement, acquisition of intellectual property for modification, or modification and use, franchise fees, equipment, inventory, purchase, construction, renovation, or tenant improvement on an eligible place of business that is not for passive real estate improvements, or an eligible place of business that is not for passive real estate investment purposes.

BUSINESS PARTICIPATION:

- Small business with less than 750 employees
- Leveraged private lender participation
- Eligible businesses, activities, and uses of funds
- A 1:1 or more match by private funds; and
- Demonstrated potential to increase the leverage to 10 to 1 through refinancing and/or additional private funding sources
- Minimum wage of \$9 per hour to those working at the project location
- Generally, not more than \$75,000 per FTE position paying 80% of the county or Nebraska Average Wage (\$14.36/hour), whichever is less

INELIGIBLE ACTIVITIES:

- X Ownership, purchase or acquisition of passive investments, such as commercial real estate, and securities
- X Lobbying
- X Repayment of delinquent federal or state income taxes unless the business has an established payment plan with the relevant taxing authority; or
- X Repayment of taxes held in trust or escrow, e.g. payroll or sales taxes; or
- X Reimbursement of funds owed to any owner, including injection of equity or capital for business continuance; or
- X Cash dividends or bonuses to management or business owners
- X The refinance of previously incurred financial institution debt
- X Purchase any portion of ownership interest of any owner of the business
- X Personal unpaid taxes, judgments, previous loan costs, or personal debt incurred prior to NPLF approval incurred prior to NPLF approval

For more information contact:

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