

## Westside Future Fund Program-Related Investment Program FAQs

Westside Future Fund provides Program-Related Investments (PRIs) to small, minority-owned businesses based or serving Atlanta's Westside. PRIs are low-cost loans made with favorable terms to support the growth of minority enterprises.

### Question: What are PRIs?

Answer: PRIs are below market-rate loans with favorable terms that WFF uses to support minority entrepreneurs and drive economic development on the Westside. As regulated by the IRS, PRIs must be made for the primary purpose of accomplishing a community-focused outcome and not primarily for financial gain.

### Question: I want to apply. What is the required documentation needed?

Answer: Required documentation

- Government Identification
- Proof of income or something to demonstrate a cash flow in the business
- Financial statements
- Two years business tax returns
- How the PRI will be used. A carefully thought-out description of what the loan will be used for -- detailed plans to increase business operations and profits are more likely to be approved.
- A business plan. A detailed business plan and cash-flow projections will be required. Writing a business plan can also help pinpoint your professional goals and strategies for success.
- Business plan should include key areas:
  - Executive Summary
  - Business Description
  - Market Analysis
  - Organization and Management Structure
  - Sales Strategies
  - Funding
  - Financial Projections
- Investment. The business owner will need to demonstrate his or her investment in the business; this can include cash expenditures and "sweat equity."
- Collateral. Business assets may be used to secure a PRI; this can include equipment, automobiles or other assets.

**Question: What makes a business minority or Black-owned?**

Answer: At least 51% of the shareholder equity, partnership interest, member share or other ownership interest in the business or its holding companies are owned by African American/ Black persons.

**Question: I live on the Westside, but my business is located outside of the Westside - am I still eligible to apply?**

Answer: The loan is for businesses operating on the Westside of Atlanta

Priority Neighborhoods: Vine City, English Avenue, Atlanta University Center, Just Us and Ashview Heights.

Eligible Neighborhoods: Bush Mountain, Castleberry District, Grove Park, Hunter Hills, Mozley Park, Oakland City, West Lake, Washington Park, Westview, Westwood Terrace, Westend, and Upper Westside.

**Question: What resources are available to help me complete my application?**

**Answer:** We have multiple tools available to help ensure you submit a strong application.

- Virtual Office Hours: November 2<sup>nd</sup>, 9<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> from 8 a -12 p. RSVP for a one-on-one, 15 to 30-minute slot via [email](#) us.
- Application Guidance: Watch our PRI Application Webinar [here](#).
- Business Support: Download an operating agreement template for LLCs or Corporations [here](#).
- General Overview of WFF's PRI Program: Watch our PRI Lunch and Learn video [here](#).

**Question: What happens after I apply?**

Answer: After WFF has reviewed your application, you will be notified about your status. Candidates that advance to Phase 2 may receive a site visit. We may conduct a site visit to verify the business location and the nature of the business. In the case of a home office, we may visit to verify that a home office exists, and how it is organized. Finally, we will assess any business or personal items pledged as collateral.

**Question: I need additional help/ information. How do I contact someone?**

Answer: We have office hours available. Please click [here](#) to schedule an appointment.

We are here to help you!

- Still have questions? Please watch the Lunch and Learn video.
- [Email](#) us or schedule your one-on-one meeting to get your questions answered.

### **Program-Related Investments Virtual Lunch & Learn Q&A**

**Question: Are there any businesses that are not eligible?**

Answer: Yes. Ineligible businesses include publicly traded companies, multilevel marketing, gambling establishments, pyramid investments, real estate investment firms (REITS), and adult entertainment.

**Question: Are startup companies eligible to apply? With less than 2 years of tax returns**

Answer: No. Eligible companies must have 2 years of tax returns to apply.

**Question: Just to confirm, if services are provided to the target audience, there's no requirement to have a physical brick and mortar in the area?**

Answer: Correct. Eligible companies do not have to have a physical brick and mortar building in the area.

**Question: Can we open a brick and mortar in the neighborhood with the funds?**

Answer: Yes. PRIs can be used to open a brick and mortar facility in our target neighborhoods.

**Question: Minimum credit score? I would like to pass the information on to other startups**

Answer: We do not require a minimum credit score. However, the strongest applicants have a credit score of 600 or higher.

**Question: For business owners with challenging credit, do you offer or recommend and credit repair assistance?**

Answer: We do not offer credit repair assistance. However, please apply as we evaluate the “whole applicant”. A PRI can be used to help build credit alongside the business.

The Federal Trade Commission also offers tips to repair credit and avoid scams: <https://www.consumer.ftc.gov/articles/0058-credit-repair-how-help-yourself>.

**Question: Is it a hard inquiry on your credit report?**

Answer: In the event of a large PRI or its use (i.e. a mortgage) we may require a hard inquiry on your credit report.

**Question: The people we pass this along to, will you be offering more sessions like this one?**

Answer: The virtual session will be available online. Additionally, we will host a follow up virtual session on Thursday, November 4<sup>th</sup> at 6:00 pm.