ADDENDUM A
BUSINESS REVOLVING LOAN FUND (RLF)
SCORING MATRIX

If the purposed project meets all threshold criteria*, reviewers will utilize the following project scoring criteria to evaluate the purposed project for the purposes of making a funding recommendation.*

Evaluation Criteria (A minimum of 60 points is required):

Criteria *Use a scale of 1-10 to indicate its importance.*	*Scoring*
1. *Employment Opportunities – Creates permanent jobs at or above one FTE per $40,000 loaned, with additional points for jobs paying above the county median wage or offering benefits. (Scale 1- 10 points)* ***1-3 pts:*** *The applicant's proposed funding use would have little to no positive impact on the business; job creation/retention is not addressed* ***4-6 pts:*** *The applicant's proposed funding use would have a notable impact on the business, stimulating some growth and economic activity, possibly including creating/retaining jobs* ***7-10 pts:*** *The applicant's proposed funding use would clearly have a significant positive impact on the business and stimulates growth and economic activity, possibly including creating/retaining jobs*	
2. *Spin-off Development – Potential to generate additional development. (Scale 1- 10 points)* ***1-3 pts (Low Potential):*** *Significant gaps in the criterion, major challenges, or high risk of failure in this area.* ***4-6 pts (Moderate Potential):*** *Some strengths, with minor issues that need addressing.* ***7-10 pts (Strong Potential):*** *Outstanding fit, clear advantages, and minimal risk or challenges in this area.*	
3. *Tax Base Generation – Increases local tax base relative to public expenditures. (Scale 1- 10 points)* ***1-3 pts (Low Potential):*** *The project offers minimal new tax revenue and may strain public resources.* ***4-7 pts (Moderate Potential):*** *The project provides some tax benefits but with average impacts.*	

8-10 pts (High Potential): *The project is a significant economic driver, offering substantial net tax gains and positive secondary effects*	
4. *Private vs. Public Investment – Leverage of private capital. (Scale 1- 10 points)* ***1-5 pts:*** *The applicant will provide minimal leveraging (>50%). Documentation of the leveraging may or may not be available.* ***6- 10 pts:*** *The applicant will provide a significant applicant match (>50%) from private or other kinds of funding sources.*	
5. *Benefit-to-Risk Ratio – Balance of benefits versus risks to the City of Sheboygan. (Scale 1- 10 points)* ***1-3 pts (High/Extreme Risk/Low Benefit Implied):*** *The risk needs immediate action, potentially not funding the activity.* ***4-6 pts (Moderate Risk/Benefit Implied):*** *Requires attention and possibly control measures* ***7-10 pts (Low Risk/High Benefit Implied):*** *The risk is generally acceptable and require minimal oversight.*	
6. *Economic Impact – Positive impact on the local economy. (i.e., will not cause displacement of competing jobs) (Scale 1- 10 points)* ***1-3 pts:*** *Negligible or negative economic impact.* ***4-6 pts:*** *Moderate, average, or expected economic impact.* ***7-10 pts:*** *Transformative, maximum potential, or highly significant economic impact*	
7. *Neighborhood Impact – Positive compatibility with surrounding properties. (Scale 1- 10 points)* ***1-3 pts:*** *The applicant business would have limited positive impact on the neighborhood.* ***4-6 pts:*** *The applicant business offers some needed services and/or benefits to the neighborhood it is located in* ***7-10 pts:*** *The applicant business offers needed services to city residents, participates in improving the community and offers additional benefits to the neighborhood it is located in*	
8. *Conformance with City Plans – Aligns with economic development and comprehensive plans. (Scale 1- 10 points)* ***1-5 pts:*** *The applicant business aligns with current city-wide plans and current land use map.*	

6-10 pts: *The applicant business meets and aligns with current plans and land use map along with existing neighborhood plans.* ***Scored by Development Staff***	
9. Local Ownership & Community - Invested Commitment (Scale 1- 10 points) ***1-3 pts:*** *The applicant business is not locally owned.* ***4-6 pts:*** *The applicant is a locally owned business and offers some needed services and/or benefits* ***7-10 pts:*** *The applicant business is a locally owned business and offers needed services to city residents, participates in improving the community and offers additional benefits to the neighborhood it is located in*	
10. Management Readiness – Business plan quality, collateral, and management experience. (Scale 1-10 with separate scoring criteria for New and Existing Businesses.) ***For New Businesses*** ***1-3 pts****: The applicant provided a weak business plan with minimal detail.* ***4-6 pts****: The applicant provided an acceptable business plan with a relatively reasonable and understandable timeline.* ***7-10 pts:*** *The applicant provided a strong business plan with clearly outlined timelines and aggressive but realistic goals.* ***For Established Businesses*** ***1-3 pts:*** *The business's tax returns do not indicate that the business is growing, or stable and revenue is showing little to no growth.* ***4-6 pts:*** *The business's tax returns indicate moderate growth and stability, but still shows an upward trajectory in revenue* ***7-10 pts:*** *The business's tax returns clearly indicate that the business is growing and/or stable with increasing/maintained revenue.*	
TOTAL	