



SOUTHERN NEVADA
ECONOMIC DEVELOP-
MENT COUNCIL,
INCORPORATED

Katherine Joseph

Each week in this column we will attempt to explain to readers, the functions and tasks of the OEDP Committee. We will bring to the readers a profile on the staff and board of directors of SNEDC, Inc. This paper will keep you advised on all Economic Development projects and the progress.

The Las Vegas VOICE, is a very important vehicle in which to bring these news items to the public. If you miss the VOICE, you miss the news.

As promised, this LDC series is compiled of questions most commonly asked about LDC's and their established answers.

1. What type of LDC is the Nevada Commonwealth, Inc. - profit or non-profit?
ANS: The Nevada Commonwealth, Inc. is a non-profit organization.
2. What are the objectives of the LDC?
ANS: To assist in the growth of the community, through new jobs (additional employment), new industry (higher tax base for community), growth through redevelopment or expansion of present facilities (upgrading of the community).
3. How big an area can we cover with the LDC?
ANS: A local development company can not operate statewide. This area of operation must be confined to its community or area of influence. However, generally a development company will limit itself to two or three counties. Seventy-Five percent (75%) of the LDC members must be from the stated area of operation.
4. How much money is the LDC required to project into a feasible project?
ANS: Because your LDC is minority owned, the total injection is 10% (ten percent) or lower of the total project.
5. How does an LDC raise money for their portion of the funds?
ANS: From:
 - a. sale of stock
 - b. gifts
 - c. loans to LDC by stockholders and members
 - d. donated capital
 - e. loans from individuals to LDC by people outside of the LDC
 - f. grants, approved by SBA
6. Can we get a cash grant for our portion of the funds?
ANS: Cash grants from federal, state, or government entities must have prior written approval from SBA. This does not include donations by private individuals.
7. How large a loan can SBA grant?
ANS: Maximum SBA exposure for a single loan is \$500,000, through our Bank Guaranty Program. \$350,000 is the maximum exposure for direct loan from SBA.
8. What is the maximum term of an SBA loan?
ANS: The maximum term is 25 years (plus six months for construction) As the term is predicated on the profitability of the SBC, most loans are for 20 years or less.
9. How long does the LDC have to recover its injection?
ANS: The LDC injection and SBA's loan will have the same maturity. If the SBA loan is for 20 years, then the LDC injection must be recovered over 20 years. Neither loan can receive a greater share of a payment than was originally scheduled.

10. How can loan proceeds be used?
ANS: To purchase land, for new buildings, for expansion of the present building, for conversion of an old building, and to purchase machinery and equipment that is build into the project.
11. How is financing arranged?
ANS: There are three ways of financing:
 - a. Bank Guaranty Plan - LDC puts up 10%, and the SBA guarantees a bank loan for the remaining 90%;
 - b. First Mortgage Plan - LDC puts up 10%, and then allow a bank or financial institutions to have mortgage for 55% and SBA puts the remaining %.
 - c. SBA Direct - LDC puts up 10%, and SBA puts up the remaining.
12. How many projects can an LDC do?
ANS: The development company can do as many projects as they desire. However, it "stated" no one community can receive more than \$1,000,000 in SBA funds in any fiscal year.
13. What type of projects can we do?
ANS: You can do industrial plants, build new retail stores, restaurants, and recreational facilities. Funds can be used for conversion of existing buildings as well.
14. Are there any restrictions on facilities?
ANS: The main restriction on all projects is that they must be available to anyone to use their services (private clubs are not eligible)

Next week Part III will consist of more questions and answers. If you have questions not yet answered, please contact Ms. Ivian Sloan at 642-1671, so they can be answered in the final series.

BANKING IS EVERYBODY'S BUSINESS



Bank Trust Services--Could One Help You?

By Willis W. Alexander
Executive Vice President
American Bankers Association

Determined to make 1978 the year in which you get finances under control? Maybe what you need is some expert help.

Last year thousands of Americans found that it was to their advantage to make use of the asset management and financial planning capabilities provided by some 4,000 full service banks offering trust services.

For years these services have been popularly thought of as the exclusive domain of the well-to-do, but with the complexity of today's economy, and the relative level of affluence many Americans enjoy, more and more people are finding professional assistance valuable in providing for their own personal financial security and asset protection.

If your property value (including your home, other real estate, savings, business interests, stocks, bonds, securities, stamps, coins, antiques and life insurance) totals more than \$100,000, it might be worth your while to investigate the benefits offered by these bank services. Fees charged are based on the type and level of service required. Usually they are calculated as a percentage of the assets involved.

The services provided by bank trust departments generally break down into five distinct areas - each of

which is designed to meet a specific need, but which may be used in combination with any other to match your individual requirements.

The five areas of assistance are:

- * Personal financial advice and counsel.
- * Assistance in tax planning.
- * Custodial arrangements for certain assets - for example bonds with coupons, stock certificates, gold coins and other valuables.
- * Investment management services - in which the financial institution exercises designated discretion in the management of assets.
- * Trust services - in which the institution actually takes title to the property, managing it for the benefit of the desired beneficiaries subject to the express directions of the person setting up the trust account.

While \$100,000 in assets is a good rule of thumb for determining your need for such service, people with less have often decided that they need professional assistance and have been successfully accommodated by their local full service bank. To find out if you could benefit too, check with your banker to find out which financial institution in your area offers trust services. Then, make an appointment for professional financial advice.

It just might get your resolution off the ground.

Fletcher Jones

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a Dog's Life



IN SOUTH AFRICA
A PUPPY, TRAPPED IN AN ANIMAL SNARE, WAS KEPT ALIVE FOR SIX DAYS BY A PET CROW. THE CROW AIR-LIFTED FOOD SCRAPS FROM HIS OWN PLATE TO THE DOG, AND FINALLY LED THE OWNERS TO WHERE THE PUPPY IN PERFECT HEALTH LAY TRAPPED.



FENCE HIM IN
NO DOG SHOULD BE ALLOWED TO RUN OUTDOORS UNLESS COMPLETELY ENCLOSED YARD OR DOG RUN IS AVAILABLE. AUTOMOBILE HAZARDS ARE TOO GREAT.



FEEDING TIP...
DON'T GET IN THE HABIT OF NEEDLESSLY HANDING OUT TIDBITS BETWEEN MEALS, AS IT DULLS THE APPETITE. YOU CAN MAKE AN EXCEPTION TO THE RULE, HOWEVER, WHEN TRAINING YOUR DOG OBEDIENCE OR TRICKS.

Support Your Local
S.P.C.A. or Humane Society

From Friskies Nutrition Research Kennels