**Section 1100.1017 Funding Criteria and Credit Review Process**

In addition to the criteria developed by OSFM, the credit review process and funding criteria approved by the Authority for this Program are as follows:

a) If an applicant is delinquent on a previous loan under the Program, the applicant is automatically disqualified for an additional low interest loan from the Program until it is current on its loan repayment.

b) Applicants are eligible for only one loan under the Program within any fiscal year.

c) The applicant must demonstrate its ability to meet at least one of the following minimum debt service coverage requirements:

1) General fund revenues or specified revenue stream: 1.25x; or

2) State intercept revenues: 1.25x.

d) Prior to funding, the applicant must submit supporting documentation for the source of repayment of the low interest loan as follows:

1) For general fund or specified revenues, submit a current board-approved budget that reflects the identified revenue source and amount; or

2) For direct property tax levy, submit a copy of the levy and the ordinance or resolution authorizing the levy.

e) If the applicant's repayment source is property tax receipts, the applicant's actual property tax collections over the past three fiscal years must exceed 95% of the total possible tax collection.

f) The applicant must provide a resolution or ordinance approved by the applicant's Board that includes the following approvals:

1) Loan application, approved by OSFM and the Authority in the fiscal year in which the low interest loan is to be awarded;

2) Loan Agreement;

3) Source and amount of repayment; and

4) State intercept agreement.

g) Each loan must be secured by the applicant's:

1) General funds or, if available, a direct property tax levy; and/or

2) State revenue intercept agreement; and/or

3) A mortgage on the real property on which the fire sprinkler system is located.

h) The Authority Board will approve loans made under the Program by resolution.

(Source: Added at 34 Ill. Reg. 3272, effective February 23, 2010)