

COVID-19-Impacted Businesses:

Please take a look at the programs below in terms of your own business and feel free to share with other businesses who might benefit. Note that there are some new programs that are becoming available, and some additional information on others that are already underway, that you should check out.

The Monroe County Economic Development Corporation stands ready to assist with questions and/or help in accessing these programs. Feel free to call Edie Koch at 618-806-4739 or respond to this email me with questions.

Additionally SBA has some upcoming webinars at 11:00 A.M on April 6th, 7th, 8th, 20th, and 29th, that are free of charge and allow you to hear details about programs available for small businesses impacted by COVID-19, including the Paycheck Protection Program, the Economic Injury Disaster Loan Program (described below), and others. This webinar has no limits on audience size and will not sell out. If you are interested in registering for one, click here at sbailinois.eventbrite.com

SBA SMALL BUSINESS PAYCHECK PROTECTION PROGRAM (PPP)

LOANS:

The PPP is implemented by the SBA with support from the Dept of the Treasury and is making \$350B available. For more information borrowers should visit [More Borrower Info on the PPP](#).

Eligible Businesses: Businesses with 500 or less employees who were in operation on February 15, 2020 to include nonprofits, veteran's organizations, tribal concerns, self-employed individuals, sole proprietorships, and independent contractors. Businesses with more than 500 employees are eligible in certain industries.

Loan Amount: Depending on your business situation, the loan size will be calculated in different ways. The maximum loan size is the lesser of \$10M or 2.5 times the average monthly payroll based on the prior year's payroll.

Terms and Interest Rate: For any amount not forgiven, max term is 10 years, max interest rate is 4%, zero loan fees, zero prepayment fee, no collateral or personal guarantees required. Loan payments deferred for 6 months. Loan will be fully forgiven when used to maintain payroll continuity from Feb 15 thru June 30, 2020. (due to high subscription it is anticipated that not more than 25% of the forgiven amount be for non-Payroll costs).

Loan Uses: Payroll costs, group health care benefits, employee salaries, interest on mortgages, rent, and utilities.

How to Apply: Starting April 3rd small businesses and sole proprietorships can apply. Starting April 10th, independent contractors and self-employed individuals can apply. You are encouraged to apply as quickly as you can because there is a funding cap. Click here [Borrower Application](#) for the PPP loan application and submit with required payroll documentation to an approved vendor ASAP but no later than June 30th. You can apply through an existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System Institution that is participating. Other regulated lenders will be

available to make these loans once they are approved and enrolled in the program. A current list of participating lenders can be found at [Active SBA Lenders IL](#)

ILLINOIS SMALL BUSINESS EMERGENCY LOAN FUND- ILDCEO/IDPFR:

Eligible businesses: Businesses located in Illinois outside of the City of Chicago with fewer than 50 workers and less than \$3 million in gross revenue in 2019. Employee threshold based on average employment from October 2019 to December 2019. Seasonal businesses may base employment on average from January 2019 to December 2019.

Business must have been in operation for at least one year and experienced at least a 25% decrease in revenues as a result of COVID-19. At this time, non-profits and farm businesses that qualify under USDA's farm loan program are not eligible.

Loan amount: Borrowers may receive up to \$50,000, with borrower loan amounts determined by average monthly revenues prior to COVID-19.

Term and Interest rate: Emergency Loan offered as a 5-year term loan at 3% annual interest, simple. Successful applicants will owe nothing for six months and will then begin making fixed payments at a below market interest rate for the remainder of a five-year loan term. Loan may be prepaid without penalty.

Loan Uses: Loan funds must be used for working capital, and at least 50% of loan proceeds must be applied toward payroll or other eligible compensation including salaries, wages tips, paid leave, and group healthcare benefits with a commitment to hire or retain at least 50% of a business workforce for six months.

How to apply: **Beginning April 1st**, our lending partners will begin accepting full applications. ILDCEO is partnering with "ACCION" to provide access to this loan in your area. You can initiate an application with ACCION by clicking [here](#). Be prepared to provide proof of an Illinois business address and valid business license from an Illinois jurisdiction, bank statements dating back to October 2019 and most recent tax returns (Note: as of 6:00pm on April 1st, businesses that previously submitted an "expression of interest form" have been contacted at the email address provided. Please check your junk, spam or promotions folders if you submitted the form and have not received a message.)

How soon can you receive funds? High demand is expected for this program, and once submitted, it will take time to process your application and receive a response. Lenders are reviewing applications as quickly as possible, and work is being done to add additional lenders to the program. Once submitted, lenders will strive to make a loan decision within 10 days and make funds available within two days of receiving bank information from a business.

DOWNSTATE SMALL BUSINESS STABILIZATION PROGRAM:

To support small businesses in downstate and rural counties across Illinois, DCEO is repurposing \$20 million in CDBG funds to stand up the Downstate Small Business Stabilization Program.

Eligible Applicants: Cities, villages, or counties that are not categorized as HUD direct entitlement areas. (Monroe county and its municipalities are eligible). Applications will be made "in support of "qualifying businesses" in their respective areas employing 50 people or less. Funds will be passed through to the business via a Participation agreement.

Grant Amount: 60 days of verifiable working capital up to a grant ceiling of \$25K.

Terms: Grants do not need to be repaid as long as qualifying business reopens, and retains or employs permanent jobs as agreed in the participation agreement with the local government.

Qualifying businesses: Private for-profit small businesses who have been continuously operating since January 1, 2017 (at a minimum); (and) employ at least (1) one worker other than the owner(s) and no more than 50 (and) considered “non-essential” by the Governor’s Executive Order without the ability for employees to work remotely are eligible; (OR) an exception can be made for an “essential business” to be considered if social distancing directives have made it impossible for the business to maintain most of their operations. Exceptions will be made on a case-by-case basis. A solid commitment to reopen and retain or employ permanent jobs must also be made. For additional information on essential and non-essential business [Click Here](#). Under the program guidelines, there are some businesses that have been specified as ineligible for assistance, [Click Here](#) to see that list and/or talk to the appropriate Local Government contact for more clarifications.

Allowable use of “pass thru funds” for Qualifying Businesses: Small businesses economically impacted by the COVID-19 virus can use funds for working capital expenses such as employee salaries, general operating expenses, inventory, and advertising/marketing expenses.

How can Qualifying Businesses apply? **Effective immediately**, contact the appropriate county or local government in regard to interest. For Monroe County, businesses within the city limits of Columbia, contact Scott Dunakey sdunakey@columbiaillinois.com, 618-477-1097; businesses within city limits of Waterloo, contact Shawn Kennedy skennedy@waterloo.il.us, 618-939-8680 x207; businesses within the village limits of Valmeyer, contact Dennis Knobloch knobloch@htc.net, 618-520-1852; businesses within the village limits of Hecker, Maeystown, Fults, and unincorporated areas in Monroe County, contact Edie Koch ekoch@mciledc.com 618-806-4739. Contacts will give technical assistance on information/documents needed to prepare and timing, to be part of their respective local government application.

How soon can you receive funds? DCEO’s goal is to execute grants within 30 days of application receipt after which funds will be accessible to local governments for pass through to businesses.

SBA ECONOMIC INJURY DISASTER LOAN (EIDL):

Eligible businesses: Small businesses who have been in operation since January 31, 2020 with 500 or fewer employees to include sole proprietorships with or without employees; independent contractors, cooperatives and employee owned businesses, tribal small businesses, private non-profits.

Loan Amount: Can apply for up to \$2 million in low-interest loans.

Terms and Interest Rate: The loan will have a 3.75 percent interest rate for small businesses and a 2.75 percent interest rate for nonprofits, and repayment can be deferred for six months. The maximum term of repayment is 30 years. Potential for an advance through a partnership with SBA Emergency Economic Injury grant program.

Loan Uses: To pay for expenses that could have been met had the disaster not occurred, such as payroll and other operating expenses.

How to apply: **Accepting applications now**. To apply for a COVID-19 Economic Injury Disaster Loan, businesses should apply directly with SBA [Click Here](#) .

SBA EMERGENCY ECONOMIC INJURY GRANTS

Eligible businesses: Those entities who have been in operation since January 31, 2020, when the public health crisis was announced (AND) have applied for an SBA Economic Injury Disaster Loan (EIDL).

Grant Amount: These grants provide an emergency “advance” of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within 3 days of applying for an SBA Economic Injury Disaster Loan.

Terms: The “advance” does not need to be repaid under any circumstances.

Grant/Advance Uses: May be used to keep employees on payroll; to pay for sick leave; meet increased production costs due to supply chain disruptions; or pay business obligations, including debts, rent and mortgage payments.

How to access Grant/Advance: First apply for an EIDL [Click Here](#) and then request the advance.

STATE TREASURER SMALL BUSINESS COVID-19 RELIEF PROGRAM:

Illinois small businesses can tap into \$250 M in low-interest bridge loans to help push through the COVID-19 pandemic. The Illinois State Treasurer’s office will make funds available to Illinois banks and credit unions that wish to participate. Through this program, the Treasurer's Office would partner with approved financial institutions to provide loans -- either lower rate loans, or loans to a business or non-profit that would not otherwise qualify -- to Illinois small businesses impacted by the COVID-19 pandemic. More information at [Small Business COVID-19 Relief Program](#).

Eligible Businesses: Businesses or non-profits shut down or limited due to COVID-19 and have less than \$1M in liquid assets (OR) \$8M average annual receipts (AND) are headquartered in IL and agree to use funds in IL.

Loan Amount: TBD.

Terms and Interest: Affordable loans not to exceed 4.75% .

Loan Uses: Bridge funding, pay fixed debts, payroll, accounts payable, and other bills.

How to apply: **Application process is open**, go to [Approved Lender List](#) and make contact with a lender for next steps.

Additional Reference Material: Links to Information provided by the Illinois Department of Commerce and Economic Opportunity to help Illinois Businesses Understand how the COVID-19 Stay at Home Executive Order No. 8 , effective March 21, 2020 to April 7, 2020, (extended by Governor to April 30th), impacts your business.

[COVID-19 Stay At Home Executive Order No. 8](#) extended to April 30th.

[Essential Business Checklist](#)

[Essential Business Flowchart](#)