

**COOK COUNTY/GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
TACONITE AREA BUSINESS RELIEF LOAN PROGRAM**

PROGRAM GUIDELINES AND CRITERIA

1. Program Description

- The EDA has \$215,000 from IRRR to provide financial assistance to Cook County businesses that have been adversely impacted by Covid.
- These loans are designed to help Cook County businesses in two ways: 0% interest rate and 50% forgivable under certain conditions.
- Review Sections 2-4, below. Complete the Application Form, which starts on page 3 and submit with Checklist by March 15, 2021.
- Contents of the application, other than proprietary information, is subject to MN Government Data Practice Act, Minnesota Statutes Chapter 13.
- Submit application, send questions, and requests for information to Pat Campanaro at pcampanaro@gmail.com or 651-336-2964.

2. Eligibility

- For-profit and non-profit businesses located within Cook County.
- Applicant must be an owner of a for-profit, or executive director or board member of a non-profit.
- Applicant must demonstrate ability of business to repay the loan.
 - For-profit business must provide most recent Balance Sheet and Profit and Loss Statement.
 - Sole proprietor must provide a current personal financial statement. See form provided on EDA web page.
 - Non-profit business must provide most recent IRS Form 990.
- Business must have been in operation for at least one year and was operating, but for Covid, on March 1, 2020.
- Applications must be received no later than March 15, 2021. If there are funds remaining after March 15, applications will be accepted on a rolling basis until all funds have been awarded.

3. Loan Funds

- Funding a function of eligibility and date of application.
- Loans up to \$7500 for working capital for a term of five years.
- Loans up to \$15,000 for investment in fixed assets for a term of ten years.
- Zero percent interest rate.
- If application is approved, a Promissory Note or Personal Guarantee will be required before funds are released to applicant.
- Loan repayments of \$375 due quarterly beginning October 2021, through September 2023, when 50% loan forgiveness will be determined.
- IRS Form W-9 is required. If 50% of the loan is forgiven, that amount will be reported as income for tax purposes in 2023.
- Forgiveness criteria:
 - Loan repayments current.
 - Quarterly financial statements submitted to EDA.
 - Preference for businesses which have grown revenues and/or payrolls during the loan period.
 - Loan status review upon receipt of financials and quarterly loan payment for period ending September 30, 2023 to determine whether 50% will be forgiven.

4. Additional Information

- Funding through this program is intended to supplement, not replace other state and federal relief programs. Applicants must certify whether they are eligible for these programs and whether they have applied.
- Character, as demonstrated by history of good citizenship in community. Must be current with all legal and financial obligations.
- Collateral demonstrating availability of assets to support repayment in the event of default for loans of \$15,000.
- Completed applications will be reviewed by the EDA's finance committee and brought to the EDA Board of Directors for approval.
- EDA must disburse all funds by June 30, 2021.

**COOK COUNTY/GRAND MARAIS EDA
TACONITE AREA BUSINESS RELIEF LOAN PROGRAM**

APPLICATION FORM

ELIGIBILITY

1. Is your business located in Cook County?
_____ Yes _____ No

2. Has business been in operation for at least one year and was operating, but for Covid, on March 1, 2020?
_____ Yes _____ No

3. Are you an owner of the for-profit or executive director/board member of the non-profit?
_____ Yes _____ No

4. Are you and the business current with all legal and financial obligations?
_____ Yes _____ No

If you answered yes to 1-4 above, proceed with the Application.

PERSONAL INFORMATION

First Name _____ Last Name _____

Email _____

Phone Number _____

Street Address _____

Mailing Address _____

City _____ State _____ Zip Code _____

LOAN REQUEST

1. What is the amount of the loan request? _____
Up to \$7,500 is available for working capital and
up to \$15,000 is available for investment in fixed assets.
2. Describe in detail the use of the loan proceeds. Please use a separate page to provide this description.
3. How will these loan proceeds assist your business? Describe the business need, based on adverse impacts of Covid. Please use a separate page to provide this description.
4. For loans of \$15,000 describe collateral demonstrating availability of assets to support repayment in the event of default. Please use a separate page to provide this description.

BUSINESS INFORMATION

Legal Business Name _____

Type of Business _____

Street Address _____

Mailing Address _____

City _____ State ____ Zip Code _____

Business phone number _____

Business email _____

1. Number of full-time employees at time of application: _____
2. Number of part-time employees at time of application: _____

3. Are you and/or your business eligible for SBA EIDL, SBA PPP, CARES, Unemployment, MN Business Relief, or other programs?

_____ Yes _____ No

4. If yes, did you apply and receive funding?

_____ Yes _____ No

Please use a separate page to describe all Covid-related funding received.

BY SIGNING, I AM APPLYING FOR THIS LOAN FROM THE COOK COUNTY/GRAND MARAIS EDA.

I understand proprietary information disclosed will be held in strict confidence. Other information is subject to MN Government Data Practices Act, Minnesota Statutes Chapter 13.

Signature _____ Date _____

CHECKLIST – INCLUDE ALL INFORMATION THAT IS LISTED HERE

_____ All information is provided, as requested in the Application Form.

_____ Attach additional pages, as needed, for narrative response to questions.

_____ Attach signed IRS Form W-9.

_____ For-profit business, attach most recent Balance Sheet and Profit and Loss Statement.

_____ Sole proprietor, attach Personal Financial Statement.

_____ Non-profit, attach most recent IRS Form 990.