



McLean County Recovery Funds

BLOOMINGTON CITY COUNCIL

4/27/2020



ECONOMIC
DEVELOPMENT

COUNCIL

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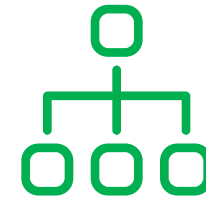
Agenda



Challenge



Struggle



Resolution

Challenge: Businesses Need Funds

- ▶ Large impact on non-essential businesses
- ▶ EDC/County Micro-Loan program difficult to navigate



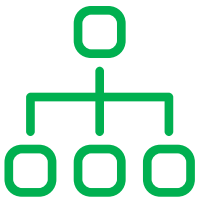
Struggle: Available Programs

- ▶ Paycheck Protection Program
- ▶ \$Economic Injury Disaster Loans (EIDL)
- ▶ Express Bridge Loans (EBL)



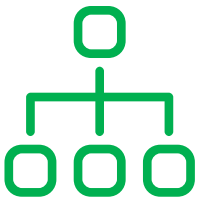
Resolution: Two Programs

	2018	2020	
	County & EDC	EDC	
Name	McLean County Small Business Micro-Lending	McLean County Micro Bridge Loan	McLean County Recovery Loan
Funding	\$600,000	\$300,000	\$300,000
Business - Start ups	\$25,000	No	No
Business - Established	\$50,000	\$5,000	\$20,000 (20% of Bank Loan)
Interest Rates	150 basis points below market	1%	1%
Terms	7-15 years	2 years	Life of Bank Loan



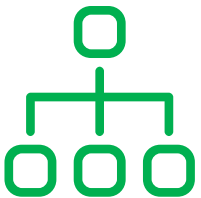
Resolution: Two Programs

	2018	2020	
	County & EDC	EDC	
Closing Fee (10%)	Yes	No	No
Application Fee	No	No	No
Collateral	Yes	Yes	Yes
Business Plan	Yes	No	No
Process Time	60 Days	20 Days	20 Days
Application	EDC & SBDC	EDC	EDC



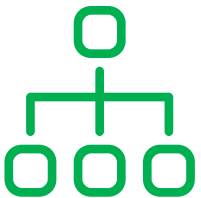
Resolution: Two Programs

	2018	2020	
	County & EDC	EDC	
Timeline	30 Days (SBDC -> EDC -> CDC) -> 30 Days (County Finance -> County Board)	EDC -> CDC	EDC -> CDC
Confidentiality - FOIA	Yes	No	No
Purchase Detail	Capital Item List with description (supplier, serial numbers, original manufacturer) & time sequence for purchase	Capital Item Description	Capital Item Description
Justifications	Letter from Lender	Letter from Lender	Letter from Lender



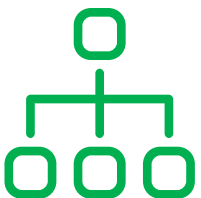
Resolution: Two Programs

	2018	2020	
	County & EDC	EDC	
Income Cash Flow	Actual, Projected, Year-to-Date (3 years past/forward)	3 Year Historic	3 Year Historic
Balance Sheet	Actual, Projected, Year-to-Date (3 years past/forward)	3 Year Historic	3 Year Historic
Personal Finance Statement	Yes	Yes	Yes
Federal Tax Returns	Business and Owners for 3 years past	Business and Owners for 3 years past	Business and Owners for 3 years past



Resolution: Two Programs

	2018	2020	
	County & EDC	EDC	
Schedule of Debt - Mortgages, loan agreements, promissory notes, liens	Yes	Bank Required	Bank Required
Schedule of Collateral - valuations/description of asset, appraisals, titles	Yes	Bank Required	Bank Required
Legal Documents	Corporate bylaws, partnership agreements, leases	Bank Required	Bank Required
Business Plans and monthly income statement in year one	Yes	No	No



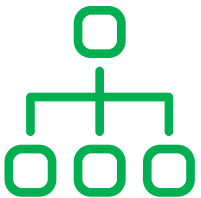
Resolution: Two Programs

2018

	County & EDC
Eligible Businesses	Depends on industry, term of loan, credit score
Restrictions	equipment, inventory, leasehold improvements, working capital, purchasing and existing business or basic needs

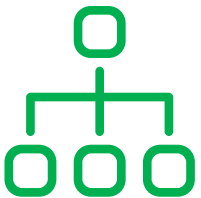
2020

EDC	
Commercial Zoned Businesses Prioritized by Industry	Commercial Zoned Businesses Prioritized by Industry
Working Capital	Working Capital



Resolution: Two Programs

	2018	2020	
	County & EDC	EDC	
COVID Impact Statement		Yes	Yes
Deferment		Until Jan 2021	Until Jan 2021
Loan Forgiveness		No	No
Goal		Supplement to COVID Financial Programs Businesses with 10 employees or less	Supplement to COVID Financial Programs Businesses with 50 employees or less
Marketing			



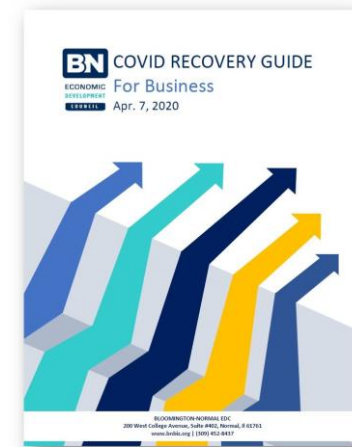
Summary



Continue Working
w/ Banks



Mold County
Recovery Loans



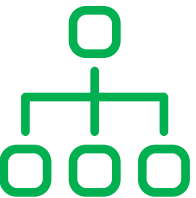
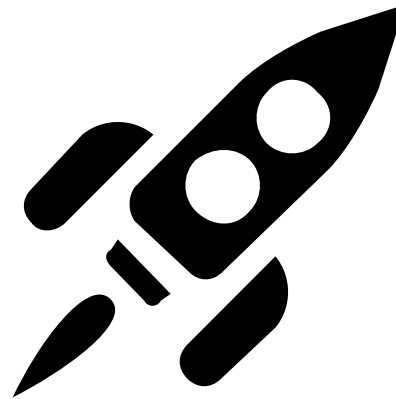
Download
Recovery Guide



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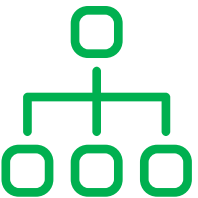
Economic Injury Disaster Advance

- ▶ \$10,000
- ▶ SBA Directly
- ▶ Under 500 Employees
- ▶ Not subject to repayment
- ▶ Deadline Dec. 21, 2020



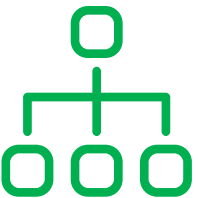
Express Bridge Loans (EBL)

- ▶ \$25,000
- ▶ Your SBA Express Lender
- ▶ Under 500 Employees
- ▶ Business relationship with an SBA Express Lender
- ▶ Term Loans or Gap Loans



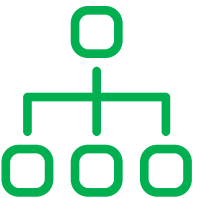
Paycheck Protection Program (PPP)

- ▶ \$10,000,000
- ▶ Your SBA Lender
- ▶ Under 500 Employees
- ▶ 1%
- ▶ 2 Years
- ▶ 6 Month Payment Deferment
- ▶ Fully Forgivable (75% payroll)
- ▶ Deadline June 30, 2020



Illinois Small Business Emergency Loan Fund

- ▶ \$50,000
- ▶ ACCION
- ▶ Under 50 Employees
- ▶ <\$3,000,000 Revenue
- ▶ Working Capital Loans
- ▶ 3%
- ▶ 5 Years



Small Business Covid-19 Relief

Illinois State Treasurer

- ▶ State funds will be deposited with qualified financial institutions
- ▶ \$1 or \$5 million increments, up to a maximum of \$25 million per financial institution
- ▶ Loans not to exceed 4.75%

