

LCEDC Small Business Emergency Response Loan Overview

Loan Goal: Provide a \$5,000 small business emergency loan to Langlade County businesses immediately impacted by COVID-19

Funding Source: LCEDC Revolving Loan Fund

Program Funding Amount: \$75,000

Availability: On or before April 24, 2020. In lieu of traditional loan agreements, LCEDC established a “verified” application process requiring a notarized signature, personal guarantees and promissory note.

Overview: Provide a \$5,000 loan until loan fund is depleted with flexible interest and repayment terms to small businesses to be used to support certain small business activities throughout Langlade County that have realized a significant financial hardship as a result of the COVID-19 pandemic.

Eligible Businesses: Eligible Business means a business in an industry outlined in Emergency Order #12 – Safer at Home Order, or any subsequent Emergency Order, or demonstrates it is otherwise affected by the COVID-19 outbreak. Eligible businesses must demonstrate the following:

1. The company can demonstrate an income loss as a result of the Emergency Order #12, or the COVID-19 outbreak;
2. Is located within Langlade County;
3. The company needs working capital to support payroll expenses, utility expenses, insurance premiums or other similar expenses that occur in the ordinary course of business.

Eligible Uses: Loans may be used for working capital to support payroll expenses, utility expenses, rent and mortgage payments, or other similar expenses that occur in the ordinary course of business. Applicants are encouraged to also work with landlords and mortgage institutions to arrange rent reductions and/or payment deferrals.

Ineligible Uses: Loans are not available for: property management/landlord for either commercial and/or residential customers, any speculative venture, investment venture, research and development or home-based occupations.

Interest Rate: 0.00% rate until December 31, 2020

3% interest rate starting on January 1, 2021

Term: 36-month term with deferred payments and forbearance of interest until January 1, 2021

Example Loan Payments:

\$5,000 Loan: \$184.66/month starting January 1, 2021 with 3% interest

Collateral: No collateral needed but promissory note and personal guarantees must be signed.

Approval: Submission of an application does not guarantee funding, and all applications will be reviewed by the Director of LCEDC and two members of the Loan Review Board Committee. Any applicant can decline funding upon notification of approval.

LCEDC Small Business Emergency Response Loan (SB-ERL) Application Steps

- Applicants shall review the entire Small Business Emergency Response Loan (SB-ERL) program, application, draft Promissory Note.
- Applicants are encouraged to contact LCEDC director prior to applying for assistance to ask questions regarding the application or approval process.
- Applicants shall submit the application directly to LCEDC by email (aclose@co.langlade.wi.us) or by mail (312 Forrest Ave, Antigo WI 54409)
- LCEDC staff will contact the business owner to confirm receipt of the application and discuss the program timeline.
- LCEDC staff and two members of the LCEDC Loan Review Board will review the application and verify application information prior to award determination.
- LCEDC staff will notify successful loan applicants of the distribution processes.