



## **COVID-19 Business Assistance Bridge Loan**

### **Attached are:**

- COVID-19 Business Assistance Bridge Loan Guidelines (2 pages)
- COVID-19 Business Assistance Bridge Loan Application (2 pages)
- Business and Personal Credit Report Authorization form (1 page)

**Complete the Loan Application and Credit Report Authorization forms, and include all required documentation.**

**Drop your application off at City Hall by placing it in the utility payment slot on the front door of City Hall or mail it to City Hall at 413 Pierce Street.**

**You will be contacted by City Staff after your application has been reviewed for completeness. You may be required to participate in a conference call with those reviewing and approving applications for the Bridge Loan.**

**Questions, call 744-7444.**



## COVID-19 Business Assistance Bridge Loan Guidelines

May 1, 2020

**Total loan funds available through the City and administered by the Eveleth Economic Development Authority is \$170,000.**

### **Purpose**

*To provide interim financial assistance to existing businesses:*

- *that have been closed or partially closed by Governor Walz Executive Orders; and*
- *that have applied for Federal or State business assistance; and*
- *that have not yet received the Federal or State business assistance they applied for.*

*Pending applications made for unemployment benefits, owners of apartment complexes and rental houses do not qualify for this Loan.*

**Area Served:** Existing businesses located in the City of Eveleth corporate limits.

**Allowable Use of Funds:** Bridge Loan funds can be used for expenses for which you have applied for Federal or State business assistance.

**Loan Requirements:** Business owner(s) must:

- Complete an Eveleth Economic Development Authority Bridge Loan application.
- Provide copies of the application(s) and supporting documents made to Federal and State programs for business assistance AND copies of your most recent business and personal tax returns (2018 or 2019). Your loan for Federal or State assistance must be in-process and has not been denied at the time of your Bridge Loan application. ***Bridge Loan funds can be used for expenses for which you have applied for Federal or State business assistance.***

- Complete a Business and Personal Credit Report Authorization Form.
- If the Bridge Loan is approved by the Eveleth EDA, business owner must:
  - Sign a Loan/Mortgage Agreement \*
  - Sign a Promissory Note \*
  - Sign a Personal Guarantee \*
- Business must be current on all financial obligations to the City within the last 12 months (this includes City utility bills, property taxes, and other obligations to the City).

\* Applicant must provide the City/EDA notice of being funded or denied by Federal or State agencies.

\* If business's application for Federal or State business assistance is funded (by the Federal or State agency) the Bridge Loan \$ disbursed to the business by the City/EDA is payable back to the City/EDA within 60 days from the date the business submitted their application for Federal or State assistance. If the business is NOT funded or is UNDER funded by the Federal or State agencies, then the Bridge Loan is payable to the City/EDA over a 5-year term at .25% over Bond Buyers Index.

\* A Personal Guarantee will be required to secure the Bridge Loan.

**Minimum Loan:** \$1,000

**Maximum Loan:** \$10,000 subject to availability of funds

**Application Process:** Applications accepted at any time, subject to availability of funds. Complete all the ***Loan Requirements*** above. The target for distribution of loan funds is 2 weeks after the completed application is received. There are no application, loan origination, or service fees associated with this loan.

**Loan Disbursement:** Loan funds will be made via check to the business name on the loan application upon approval of your loan application.



**COVID-19 Business Assistance**  
**Bridge Loan Application**  
May 1, 2020

**Business Name:** \_\_\_\_\_

**Business Address:** \_\_\_\_\_

**Business Telephone:** \_\_\_\_\_; **Cell Telephone:** \_\_\_\_\_

**Business Owners Name:** \_\_\_\_\_

Home Address: \_\_\_\_\_

% ownership in business: \_\_\_\_\_

**Business Owners Name:** \_\_\_\_\_

Home Address: \_\_\_\_\_

% ownership in business: \_\_\_\_\_

**Type of Business:** (Sole Proprietorship, Corporation, LLC, Partnership) \_\_\_\_\_

Brief description of nature of business, principal products, etc.: \_\_\_\_\_

**Loan Amount you are requesting from the City:** \$\_\_\_\_\_

**I certify that all statements on this application are true and correct to the best of my knowledge. I understand that any intentional misstatements will be grounds for the disqualification of my loan application.**

Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

**PLEASE SEE THE NEXT PAGE FOR OTHER LOAN APPLICATION REQUIREMENTS.**

# COVID-19 Business Assistance Bridge Loan Application Checklist

- \_\_\_\_\_ Have you been closed or partially closed by Governor Walz Executive Orders?
- \_\_\_\_\_ Are you closed      OR      \_\_\_\_\_ partially closed?
- \_\_\_\_\_ Have you applied for Federal or State business assistance?
- \_\_\_\_\_ Are you waiting for approval of your application for Federal or State business assistance?
- \_\_\_\_\_ Have you included with this application copies of the application(s) and supporting documents submitted to Federal or State programs for business assistance (that you are requesting the Bridge Loan for) that are in process and have not been denied?
- \_\_\_\_\_ Have you included with this application copies of your most recent business and personal tax returns for either 2018 or 2019?
- \_\_\_\_\_ Have you included with this application a completed and signed Business and Person Credit Report Authorization Form?
- \_\_\_\_\_ Are you current on all financial obligations to the City within the last 12 months (including City utility bills, property taxes, and other obligations to the City)?



## BUSINESS AND PERSONAL CREDIT REPORT AUTHORIZATION FORM

I hereby authorize the City of Eveleth, Minnesota, Economic Development Authority, or its third-party consultant, to obtain any and all information pertaining to my personal or business credit history for the purposes of applying for a City loan. I understand I will receive a copy of my individual credit report.

**Individual Name:** \_\_\_\_\_  
(first – middle – last)

Individual Address: \_\_\_\_\_  
\_\_\_\_\_

Individual Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Date of Birth: \_\_\_\_\_  
(month – date – year)

Social Security No: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

**Business Name:** \_\_\_\_\_

Business Address: \_\_\_\_\_  
\_\_\_\_\_

Business Representative Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Federal Tax ID No: \_\_\_\_\_