

Small Business Relief Packages

The following is a list of current relief packages that small business may utilize during the Coronavirus outbreak. There are also examples of what larger communities are doing at the local level to assist small business weather the outbreak.

U.S. Small Business Administration (SBA)

The SBA is preparing to unload \$50 Billion to states and U.S. territories by offering low-interest federal disaster loans for working capital. The SBA is working with each state's Governor to issue relief packages to the state's small businesses. Businesses can now apply directly to the SBA for funds.

More info:

Apply here: <https://disasterloan.sba.gov/ela/Information/EIDLloans>

<https://www.sba.gov/about-sba/sba-newsroom/press-releases-media-advisories/sba-provide-disaster-assistance-loans-small-businesses-impacted-coronavirus-covid-19>

<https://www.sba.gov/disaster-assistance/coronavirus-covid-19>

https://www.sba.gov/page/guidance-businesses-employers-plan-respond-coronavirus-disease-2019-covid-19?utm_medium=email&utm_source=govdelivery

Minnesota Department of Employment and Economic Development (DEED)

The Department of Employment and Economic Development is working with the Governor's office to receive SBA funding through the disaster declaration from the Federal government. This may take some time. However, once declared, businesses will have to apply directly through the SBA to receive relief. It is unclear at this time as to what the eligibility requirements are and what amount is being offered.

DEED is collecting email addresses of those businesses being impacted. All potential impacted businesses should direct their inquiries to deed.mnsbao@state.mn.us. DEED does have existing programs that may assist with small business through the Emerging Entrepreneur Program or Indian Business Loan Program. DEED gave permission for cities to use their MIF dollars for emergency loans.

*****Governor Walz Executive Order 20-15**

DEED is establishing an emergency loan program for impacted businesses. The state has created this fund to bridge the gap between applying for federal funds and receiving those funds. Loans between \$2,500 and \$35,000 are available for qualifying businesses. Loans are 50% forgivable and offered at 0% interest. If other financing becomes available to the business, the emergency loan must be repaid.



Applications will be available by March 27, 2020. <https://mn.gov/deed/business/financing-business/deed-programs/peacetime/>

DEED is now offering a Small Business Loan Guarantee program that will be administered by local lending partners. The loan guarantee will help Minnesota lenders provide capital to small businesses affected by COVID-19. The business must have fewer than 250 FTE. The program will provide an 80% guarantee up to a maximum of \$200,000. A fee of 0.25% on the guarantee loan principal will be charged. See here: <https://mn.gov/deed/business/financing-business/deed-programs/loan-guarantee/#1>

More info:

See Declaration: <https://mn.gov/deed/newscenter/press-releases/?id=424384>

<https://mn.gov/deed/newscenter/covid/>

<https://mn.gov/deed/business/financing-business/deed-programs/elp/>

<https://mn.gov/deed/business/financing-business/deed-programs/indian/>

Minnesota Unemployment Insurance (UI)

DEED is encouraging all employers impacted by COVID-19 to communicate to their employees that Unemployment Insurance is available. All employees who are laid off or furloughed should be applying for Unemployment Insurance. The state of Minnesota office for Unemployment Insurance has ensured impacted workers that Unemployment Insurance is available and flexible for all those impacted. UI also has a shared work program that offers paid unemployment benefits to offset part of employees reduced wages. Eligibility for this program requires that businesses UI Tax Account balance be paid in full, workforce of business cannot be seasonal or temporary, and owner/officer information must be up to date. Send questions and inquiries to: shared.work@state.mn.us

More info:

<https://www.uimn.org/applicants/needtoknow/news-updates/covid-19.jsp>

<https://uimn.org/employers/alternative-layoff/>

Northfield Economic Development Authority (EDA)

Executive Order 20-15 allows the Northfield EDA to utilize the existing Minnesota Investment Fund (MIF) dollars from EDA Fund 293 to offer emergency loans to local impacted businesses. Currently, the Northfield EDA has a balance of \$167,973 to offer in loans. More detail should be discussed internally by staff.



U.S. Chamber of Commerce Small Business Toolkit

The U.S. Chamber of Commerce put together a resource summary for small business to adhere to during the outbreak. For more info following this link: <https://www.uschamber.com/co/start/strategy/small-business-resources-for-surviving-coronavirus>