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### *COVID-19 Business Recovery Support Loan Fund*

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The Delta County Board of County Commissioners, through the Delta County Office of Community & Economic Development, has partnered with Region 10 to establish a loan fund for businesses severely impacted by government orders to close, as well as socially distancing requirements, and stay-at-home orders associated with the global COVID-19 pandemic. A total of \$250,000 has been dedicated. The intent of this loan program is to provide short-term financial support to businesses to help bridge gaps between the ability of a business to access federal and regional resources. The Small Business Administration has begun several programs designed to help businesses impacted by COVID. Due to the unprecedented nature of the COVID pandemic, accessing these federal loans may take time; meanwhile Delta County businesses are already feeling negative financial impacts.

This loan program is intended to support our local economy and help our businesses return to normal operations as soon as is safe.

#### **Available Loans & Terms**

1. Up to \$5,000 per business
2. 0 % interest for first 12 months
3. No payments for the first 12 months
4. No closing costs
5. Unsecured but requires personal guarantee of all owners who have a minimum of 20% ownership interest in the business
6. Applicants will be selected based on need and ability to repay on a first come, first serve basis

#### **Who is eligible?**

1. Businesses in Delta County, forced to close by Governor Order (retail stores, beauty parlors, service businesses, etc.)
2. Essential businesses in Delta County forced to scale operations back (restaurants, coffee shops, manufacturers, agriculture related business, etc.)
3. Business gross revenue must be under \$2.0 million

#### **Who is ineligible?**

1. Agriculture producers
2. Publicly traded entities
3. Religious organizations

4. Marijuana growing and retail businesses
5. Business owners who are not U.S. citizens

### **Eligible Expenses**

- Working Capital (rent, mortgage interest, payroll, insurance, utilities)
- Pandemic Causes (shifting product delivery, manufacturing processes to address pandemic needs)

### **Ineligible Expenses**

Loan refinancing and loan principle payments

### **How to apply?**

1. Application
2. Required Documentation:
  - a. 2019 year-end and Year-to-Date Profit & Loss Statement
  - b. Current Business Financial Statement
  - c. Personal Financial Statement of each owner who has at least a 20% ownership interest
  - d. Legal documents of business (Articles of Incorporation, Certificate of Good Standing, Partnership agreements, etc.), if applicable
  - e. Consent to pull personal credit report
3. Written explanation of what the impact on your business has been and is projected to be
4. Funds projection showing how loan funds will be expended and a projected income and cash flow statement showing repayment of the loan beginning on or before May 1, 2021

### **Application Review Process**

1. Completed applications should be emailed to [dan@region10.net](mailto:dan@region10.net)
2. Applications which are complete will be processed on a first come, first serve basis until the funds are expended
3. Successful applicants shall sign a promissory note and loan agreement prior to release of funds

### **Application Review Criteria**

Members of the loan fund committee are retired volunteers in the banking and business industry. Applications shall be reviewed against the following criteria:

1. Demonstrated need (i.e. revenue decline directly tied to COVID)
2. Demonstration that loan funds will improve the ability to return to normal operations and estimated date of return (pending government orders)

3. Demonstration that revenues from pre-COVID business records are sufficient to cover repayment of loan
4. Past credit history

#### **Repayment**

1. No interest or payments for first 12 months
2. All loans must be fully amortized and repaid within 24 months once amortization begins
3. This loan program does not include forgiveness of debt
4. Interest at 1.50% fixed
5. No prepayment penalties



### Delta County Business Recovery Support Loan Application

Business Type	DBA or Tradename if Applicable		
Business Name			
Business Address		Business TIN(EIN, SSN)	Business Phone
		Primary Contact	Email Address

Purpose of Loan (Select all that apply)	Payroll	Rent	Mortgage Interest
	Inventory	Insurance	Other(Please describe)
	Utilities		

#### Applicant Ownership

List all owners of 20% or more of the Applicant. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN, SSN)	Address

What year was this business started?

Are you applying for other loans (SBA, Region 10, other)

How much are you applying for?

#### Questions

If the answer to questions (1) or (3) below are yes the loan will not be approved

Yes      NO

1. Is the Applicant or any owner of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?

2. Is the Applicant or any owner of the Applicant an owner of any other business, or have common management with any other business? If yes, list all such businesses and describe the relationship on a separate sheet identified as Addendum A.

3. Is the Applicant (if an individual) or any individual owning 20% or more equity of the Applicant subject to any indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated or on probation or parole?

Initial here to confirm your response to question 3.



### Delta County Business Recovery Support Loan Application

Yes      NO

4. Within the last 5 years, for any felony, has the Applicant (if an Individual) or any owner of the Applicant 1. Been convicted; 2. Plead guilty; 3. Pleaded no contest; 4. Been placed on pretrial diversion; 5. Been placed on any form of parole or probation (including probation before judgment)?

Initial here to confirm your response to question 4.

5. Are all owners of the Applicant United States Citizens?

By signing below, You make the following representations, authorizations, and certifications:

I certify that:

1. I have read the statements in this form and I understand them.
2. The Applicant is eligible to receive a loan under rules in effect at the time this application is submitted to the Business Recovery Support Loan Fund.
3. All loan proceeds will be used only for business-related purposes as specified in the loan application and consistent with the Delta County Business Recovery Support Loan Fund.
4. The Applicant is not engaged in any activity that is illegal under Federal, State, or Local law.

The authorized representative of the Applicant must certify in good faith to all of the below by initialing next to each one:

Initial

The applicant was in business on March 1, 2020.

2019 gross annual revenues for this business were less than \$2 million.

Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.

I understand this loan fund does not include debt forgiveness.

I further certify that the information provided in this application and the information provided in all supporting documents and forms is true and accurate in all material respects I understand that knowingly making false statements to obtain a loan is punishable under law.

I acknowledge that the lender will confirm the eligible loan amount using required documents submitted.

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Signature of Representative of Applicant

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Date

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Printed Name

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Title



## **Delta County Business Recovery Support Loan Application**

### **Purpose of this form:**

This form is to be completed by the authorized representative of the Applicant and submitted to Region 10. Submission of the requested information is required to make a determination regarding eligibility for financial assistance. Failure to submit information would affect that determination.

### **Instructions for completing this form**

With respect to "purpose of this loan," payroll consists of compensation to employees (whose principal place of residence is the United States) in the form of salary, wages, commissions, or similar compensation; cash tips or the equivalent (based on employer records of past tips or, in the absence of such records, a reasonable good faith employer estimate of such tips); payment for vacation, parental, family, medical, or sick leave; allowance of separation or dismissal; payment for the provision of employee benefits consisting of group health care coverage, including insurance premiums, and retirement; payment of state and local taxes assessed on compensation of employees; and for independent contractor or sole proprietor, wage, commissions, income, or net earnings from self-employment or similar compensation.

1. Rent consists of contractual payments of rent for business/office space to landlord.
2. Mortgage interest consists of the interest portion (excluding principal) of monthly mortgage payments to debt holder on real estate owned by the Applicant.
3. Insurance consists of cost of insurance to pay for structure/contents, and liability insurance for the applicant business.
  
4. Utilities consist of cost of electric, natural gas/propane, water, sewer, phone, internet for the applicant business.

All parties listed below are considered owners of the Applicant as defined in 13 CFR 120.10 as well as principals.

- \* For sole proprietors, the sole proprietor
- \*For a partnership, all general partners, and all limited partners owning 20% or more equity in the firm
- \*For a corporation, all owners of 20% or more of the corporation
- \*For limited liability companies, all members owning 20% or more of the company
- \*Any Trustee (If the Applicant is owned by a Trust)

### **Equal Credit Opportunity**

Creditors are prohibited from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, or age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

### **Submittal Requirements**

Refer to the attached Term Sheet "How to Apply" for additional documents required to be submitted.

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***COVID-19 Business Recovery Support Loan Fund Application***

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**CONSENT**

Because of each owner's relationship to the loan applicant and their role in the accommodation for the loan, their personal creditworthiness is a factor in the evaluation of the application or accommodation for the loan. By signing below, each owner authorizes Region 10 to obtain a consumer credit report on them personally for the purpose of evaluating the loan application.

Name	Social Security Number	Date of Birth	Signature

# Personal Financial Statement

Office \_\_\_\_\_ Page 1

Name \_\_\_\_\_

Married

Unmarried  Separated

Address \_\_\_\_\_

Employed By \_\_\_\_\_

Social Security Number(s) \_\_\_\_\_

Statement of  my or  my and my spouse's Financial Condition on \_\_\_\_\_

ASSETS	OMIT CENTS	LIABILITIES	OMIT CENTS
Cash (Schedule 1)		Accounts Payable	
		Income Taxes Payable	
Notes, Mortgages & Trust Deeds Owned (Sched.3)		Notes Payable – Banks (Sched.2)	
		Notes Payable – Others (List)	
Collectible Receivables & Loans Due Me (Lists)			
		Installment Contracts Payable (List)	
Readily Marketable Securities (Sched.4)			
Other Investments (Sched.4)			
Cash Surrender Value of Life Insurance (Sched.5)		Loans On Life Insurance (Sched.5)	
Real Estate Owned (Sched.6)		Real Estate Mortgages (Sched.7)	
Other Assets (List)		Other Liabilities (List)	
		<b>TOTAL LIABILITIES</b>	
		(Total Assets less <b>NET WORTH</b> Total Liabilities)	
<b>TOTAL</b>		<b>TOTAL</b>	

ANNUAL INCOME*			PLEASE ANSWER THE FOLLOWING:	CONTINGENT LIABILITIES	
Salary			Do you have any assets in a trust? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Interest			If yes, the name of the trust is: _____		
Dividends					
Rentals			Have you ever gone through bankruptcy or Compromised a debt? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Other			If this is a statement of you and your spouse, are any assets spouse's separate property? <input type="checkbox"/> Yes <input type="checkbox"/> No		
			Are any assets pledged or debts secured except as shown? <input type="checkbox"/> Yes <input type="checkbox"/> No		
				<b>TOTAL</b> (Indicate if none)	

\* Income from child support, alimony or maintenance need not be disclosed.

## SCHEDULE 1 Cash

SVGS	CHKG	CASH BALANCE ON ABOVE DATE		WHERE CARRIED (Name of Bank)
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			

## SCHEDULE 2 Notes Payable—Banks

AMOUNT OWED ON ABOVE DATE	INT. RATE	NAME OF BANK (Collateral, if any)

## SCHEDULE 3 Notes, Mortgages and Trust Deeds Owned

NAME OF DEBTOR	TOTAL AMOUNT DUE		MATURITY DATE	HOW PAYABLE	DESCRIPTION OF SECURITY
				\$ per	
				\$ per	
				\$ per	
				\$ per	
				\$ per	

060-01090(Rev 7/93)		\$ per				
Schedule 4 <b>Readily Marketable Securities and Other Investments</b>		Please Complete all Applicable Schedules and Sign on Page 2		Printed on Recycled Paper		
				Page 2		
NO. OF SHARES OR BOND AMOUNTS	DESCRIPTION	LISTED SECURITIES MARKET VALUE NOW		UNLISTED SECURITIES VALUE NOW		PLEDGED TO
		PRICE	TOTAL	PRICE	TOTAL	
<b>TOTAL ON THIS STATEMENT</b>						
IN WHOSE NAME ARE THESE SECURITIES CARRIED?						

**Schedule 5 Life Insurance**

NAME OF COMPANY	BENEFICIARY	FACE AMOUNT		CASH VALUE		LOANS	
<b>TOTAL</b>							

**Schedule 6 Real Estate Owned**

PARCEL NO.	LOCATION AND TYPE OF PROPERTY	TITLE IN NAME OF	MONTHLY INCOME	PURCHASE PRICE		VALUATION THIS STATEMENT
				DATE	AMOUNT	
1						
2						
3						
4						
5						
6						
<b>TOTAL</b>						

**Schedule 7 Real Estate Mortgages**

ON PARCEL NO. SCHED. 6	TO WHOM PAYABLE	HOW PAYABLE	INT. RATE	MATURITY DATE	AMOUNT
1		\$ per			
2		\$ per			
3		\$ per			
4		\$ per			
5		\$ per			
6		\$ per			
<b>TOTAL</b>					

To induce the Bank of the West to give or continue financial accommodation to, or at the request of, the undersigned from time to time, and in consideration of any such accommodation, the undersigned represents and warrants that the foregoing is a true statement of the financial condition of the undersigned as of the date indicated; and agrees (1) that said Bank may rely upon it as continuing to be true until notified in writing to the contrary by the undersigned; (2) that if it be not true in any material respect, or if the undersigned should die, become insolvent, make an assignment for the benefit of creditors, be the subject of any bankruptcy, reorganization, arrangement, insolvency, receivership, liquidation or dissolution proceedings, or if any property of the undersigned be attached, garnished or subjected to any other legal process, or if an adverse change occurs in the financial condition of the undersigned, then at the election of said Bank all indebtedness and obligations, direct and contingent, of the undersigned to said Bank shall become immediately due and payable without demand or notice.

Signature

Date

Signature