

## **FOR IMMEDIATE RELEASE**

Thursday, April 9<sup>th</sup>, 2020

Contact: Wendy Gehlhoff 715-528-3294



### **SBA Business Relief Funding**

COVID-19 has been very detrimental to many Florence County businesses. I have sent several emails a week to 150 businesses and mailed information last week to all 230 businesses. If you have not received emails from me, then either you haven't given me an email in the past or the email I have for your business is outdated. Please send me someone's email even if it is an employee or relative so you don't miss out on the constantly changing business relief information: Economic Development Director (Wendy Gehlhoff) at 715-528-3294 or [wgehlhoff@co.florence.wi.us](mailto:wgehlhoff@co.florence.wi.us).

Florence County businesses suffering financially from this COVID-19 disruption should go to: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options> to explore the funding options described below. Several of the programs are forgivable loans (grants) that do not have to be paid back. You can apply for both the PPP and the EIDL as long as the funds are used to cover different costs:

**Paycheck Protection Program (PPP):** The PPP loan is designed to provide a direct incentive for small businesses to keep their workers on the payroll even if their business is closed. SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. You can apply through any existing SBA lender or through any federally insured depository institution, credit union, or Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should call your local lender to see if they are participating. This program started April 3, 2020 and will continue through June 30, 2020 or until the CARES Act funds are gone.

**Economic Injury Disaster Loan (EIDL):** These grants provide an emergency advance of up to \$10,000 to small businesses (less than 500 employees) and private non-profits harmed by COVID-19 within three days of applying for the program. Sole proprietors and self-employed are also eligible. To get the advance, apply for an EIDL online and then request the advance. The advance does not need to be repaid and you will receive it even if your loan is denied or you decide not to accept it. The \$10,000 may be used to keep employees on payroll, pay for sick leave, meet increased production costs due to supply chain disruptions, or pay debts, rent or mortgage payments. The EIDL is a low interest loan of up to \$2 million, with principal and interest deferment options. The loan funds can be used to pay expenses that could have been met had the disaster not occurred, including payroll and operating expenses.

Even if you receive an EIDL and/or the \$10,000 EIDL Advance between January 31, 2020 and June 30, 2020, you may also apply for a PPP loan. If you ultimately receive a PPP loan or refinance an EIDL into a PPP loan, the \$10,000 or less advance amount received under the Emergency Economic Injury Grant Program would be subtracted from the amount forgiven in the PPP. You cannot use your EIDL for the same purpose as your PPP loan. For example, if you use your EIDL to cover payroll for certain workers in April, you cannot use PPP for payroll for those same workers in April, although you could use it for payroll in March or May or for different workers in April.

**Express Bridge Loan:** Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly. These loans provide economic support to small businesses to help overcome the temporary loss of revenue. They can be a term loan or used to bridge the gap while applying for a direct SBA Economic Injury Disaster loan. If a small business has an urgent need for cash while waiting for decision and disbursement on an Economic Injury Disaster Loan, they may qualify for an SBA Express Disaster Bridge Loan. These loans have a fast turnaround and will be repaid in full or in part by proceeds from the EIDL loan.

Businesses can also call their local lender to ask for a loan payment deferral for a certain period of time or interest only payments. Each situation is unique, but some banks can offer help for a defined period of time. It is also important to talk with your insurance provider if you have business interruption insurance to see if your situation qualifies as business interruption.

I am also posting health and business items under the “News” section our website home page at [www.ExploreFlorenceCounty.com](http://www.ExploreFlorenceCounty.com) as well as on the “Florence County” Facebook page.