

CITY OF PORTLAND COVID-19 RELIEF BUSINESS LOAN AND GRANT PROGRAMS

The City of Portland's Business Loan and Grant Programs are designed to provide financial assistance to Portland businesses impacted by COVID-19. This includes businesses that have remained open, have furloughed some or all of their employees and/or businesses that are preparing to re-open. Available funds are not intended to substitute for COVID-19 federal and/or state financing programs.

HOW DO I APPLY?

- The application and more information is available at: www.edd.portlandmaine.gov
- If you have questions contact edd@portlandmaine.gov

WHICH PROGRAM SHOULD I APPLY FOR?

To determine which program is right for you first identify how many full-time equivalent (FTE)* employees were on your payroll on January 31, 2020.

- 0-1 Employees = MicroEnterprise Grant
 - Grant up to \$2,500
 - Business owner must be low/moderate income**
- 2-8 Employees= Rapid Response Microloan
 - Loan up to \$10,000 at 0% interest for 2-year term, loan payments begin 6 months after closing
 - Up to \$5,000 forgivable if rehire/retain 50% of employees
 - < \$1 million in sales
- 2+ Employees = COVID-19 BAP Rehiring
 - Grant up to \$5,000
 - Rehire 2 or more FTE employees
 - Employees must be low/moderate income**

If your business is not located in Portland but is in Cumberland County, you may be eligible for GPCOG's Rapid Response Program

<https://www.gpcog.org/410/Micro-loan-program>

DEFINITIONS

* 1 FTE job is at least 34 hours/week or 2 part time jobs with each at least 17 hours/week

** Low/moderate income is defined by the U.S. Department of Housing and Urban Development as 80% of median household income. A chart showing qualified income levels can be found on the City's website at the following link:

<http://www.portlandmaine.gov/DocumentCenter/Home/View/8939>

WHAT CAN I USE THE FUNDS FOR?

- Working capital expenses (e.g., rent, utilities, payroll, insurance, inventory);
- And more depending on this program.
- Refinance existing debt;
- Down payment for other financing;
- Funds cannot be used to pay owner;
- Other restrictions apply

WHAT WILL I NEED TO APPLY?

You will need to submit documentation with your application including:

- Payroll from January 31, 2020 showing number of full and part-time employees;
- Personal financial statement from all owners of the business with 20% ownership or greater (for loans);
- 2018 and 2019 business tax returns;
- Balance Sheet for 2019 and Profit and Loss for 2019;
- Commercial lease with monthly rent noted as well as CAM charges if have NNN lease.
- IRS Form 491 or 990 as applicable.

WHAT HAPPENS AFTER I APPLY?

Staff will review each application to ensure that it is complete. An underwriter will review the businesses financials and prepare a report for the Portland Development Corporation (PDC), the City's lending and granting board. The PDC will review those reports and approve the applications that best meet the program criteria. Approved applicants will work with City staff to sign program agreements. Loans will require:

- Unlimited personal guarantees from all those with ownership in the business of 20% or greater
- UCC-1 on all business assets regardless of lien



For more information visit:
www.edd.portlandmaine.gov

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