SSBCI 2.0 Access to Capital Overview Webinar

Written responses to Q&A portion of the November 29, 2022 webinar.

What is the cadence of inquiries when it comes to the collateral support program (on determining principal balance and maintaining the proper LTC)? Annually?

MEDC Capital Access representatives will request the loan principle balance amount 1-2 times annually. At that time, MEDC will make a withdrawal out of the established collateral account to remain at the same percentage of support outlined at the beginning of the agreement. MEDC does not make periodic withdrawals on a line of credit.

Will there be a list of partner funders publicly available to businesses?

While any bank, credit union or Community Development Financial Institution (CDFI) are eligible to participate in MEDC Capital Access programs, each program fact sheet on the Lender Capital Access webpage contains a list of lenders that have used the capital access programs.

For your convenience, below are direct link to all Capital Access program factsheets:

- Collateral Support Program Factsheet
- Loan Participation Program Factsheet
- Loan Guarantee Program Factsheet
- Capital Access Program Factsheet

Will the PowerPoint be available after today?

Yes, the presentation is now available [here], and will be included on the Capital Access Lenders webpage for your convenience along with the CDFI presentation mentioned during the webinar the week of Dec. 5.

Are these programs accessible to loans made by CDFIs?

Yes, CDFI’s are eligible to utilize MEDC’s Capital Access programs.

So, it sounds like the Loan Participation program cannot be used as equity on an SBA 504 loan, correct?

Yes, that is correct. We are unable to provide assistance for credit facilities supported by the SBA and/or USDA federal guarantees, however, the programs may be used during the 504-construction period. Michigan Strategic Fund support must be released prior to closing of the SBA debenture.
Can we access the presentation made to CDFI’s?

Yes, the presentation is available here, and will be included on the Capital Access Lenders webpage for easy access the week of Dec. 5.

Hi all, thanks so much for the presentation today, quick question...how long are your background reports taking?

MEDC’s background check process is currently taking 6-8 weeks. If you are a lender interested in participating in one of our capital access programs, we ask that you talk to us early on in the process and submit background checks as soon as able to avoid approval delays.

Are hospitality properties eligible for collateral support and/or loan participation?

Yes, hospitality loans of $500,000 or less are eligible. For reference, here is the industry information outlined in the presentation:

- Under $500,000, no industry requirements
- $500,001 or more, qualifying industries:
  - Manufacturing
  - Mobility
  - High technology
  - Professional and Corporate Services
  - Medical Device Technology
  - Engineering
  - Design and Development
  - Agribusiness
  - Tourism
  - Logistics
  - Financial Services

Will the presentation be available for download or on YouTube?

The webinar recording can be accessed on YouTube here, and has been added to the Capital Access webpage here, under the SSBCI 2.0 Update.

Links Shared in Webinar Chat:

- Superior Foods, Grand Rapids: Link to full story
- 18th Street Deli, Hamtramck: Link to full story
- Great Lakes Ag Irrigation, Six Lakes: Link to the full story

Ready to connect? Contact us today:

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