

# Michigan Small Business Relief Program

## MEDC COVID-19 RESPONSE

The Michigan Economic Development Corporation is providing immediate economic support to Michigan's small businesses to overcome anticipated loss of revenue as a result of the COVID-19 virus. Through the Michigan Small Business Relief Program, the state is providing both grant and low-interest loan opportunities for small businesses impacted by the outbreak.

### How the Program Works

The Michigan Small Business Relief Program authorizes the MEDC to provide up to \$10 million in grant funding and \$10 million in low-interest loans to provide emergency relief to businesses directly impacted by COVID-19.

Under the program, MEDC is providing up to \$10 million in grant funding to local [economic development organizations](#) to be used to provide grants up to \$10,000 to support certain small businesses statewide that have realized a significant financial hardship due to COVID-19.

The program also provides up to \$10 million in low-interest loans to small businesses impacted by COVID-19. The MEDC may provide loans to eligible borrowers between \$50,000 to \$200,000, with flexible repayment terms.

The business may qualify based on the criteria in the attached guidelines. However, due to the significant number of businesses that will be impacted and limited resources available under this program, we will be looking to prioritize based on local partner priorities and will be focusing on businesses that were previously financially viable and are at risk of closure or unable to pay working capital expenses – including rent, payroll, etc. – without the immediate support.

### How This Funding Can Be Used to Support Small Businesses

Funds provided by grants and low-interest loans through the Michigan Small Business Relief Program can be used for working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business.

### How to Apply

To apply or for more information about the Michigan Small Business Relief Program and other financial assistance available for small businesses who may not meet the requirements of the program, visit [michiganbusiness.org/covid19](https://michiganbusiness.org/covid19).

Businesses can also visit [Michigan.gov/coronavirus](https://Michigan.gov/coronavirus) to find resources for Employers & Workers and sign up for regular COVID-19 updates from Governor Whitmer.



## Regional Economic Development Organizations Administering Grants

APPLICANT	COUNTIES COVERED
<a href="#"><u>Invest UP</u></a>	Keweenaw, Houghton, Ontonagon, Gogebic, Baraga, Iron, Marquette, Dickinson, Menominee, Alger, Delta, Schoolcraft, Luce, Mackinac, Chippewa
<a href="#"><u>Networks Northwest</u></a>	Emmet, Grand Traverse, Charlevoix, Antrim, Kalkaska, Missaukee, Wexford, Manistee, Benzie, Leelanau
<a href="#"><u>Otsego County Economic Alliance</u></a>	Otsego, Crawford, Roscommon, Montmorency, Ogemaw, Oscoda
<a href="#"><u>Target Alpena</u></a>	Iosco, Alcona, Alpena, Presque Isle, Cheboygan
<a href="#"><u>The Right Place</u></a>	Barry, Ionia, Kent, Lake, Mason, Mecosta, Montcalm, Muskegon, Newaygo, Oceana, Osceola
<a href="#"><u>Lakeshore Advantage</u></a>	Allegan, Ottawa
<a href="#"><u>Middle Michigan Development Corporation</u></a>	Isabella, Gratiot, Clare, Gladwin
<a href="#"><u>Saginaw Future</u></a>	Arenac, Bay, Midland, Saginaw
<a href="#"><u>Flint &amp; Genesee Chamber</u></a>	Shiawassee, Genesee, Lapeer, St. Clair, Tuscola, Sanilac, Huron
<a href="#"><u>Lansing Economic Area Partnership</u></a>	Clinton, Eaton, Ingham (Excluding City of Lansing)
<a href="#"><u>Southwest Michigan First</u></a>	Kalamazoo, St. Joseph, Berrien, Calhoun, Van Buren, Cass, Branch
<a href="#"><u>Ann Arbor Spark</u></a>	Livingston, Washtenaw, Hillsdale, Jackson, Lenawee, Monroe
<a href="#"><u>Oakland County</u></a>	Oakland
<a href="#"><u>Macomb Country</u></a>	Macomb
<a href="#"><u>Detroit Economic Growth Corporation</u></a>	Wayne



## Michigan Small Business Relief Program: Grants

<b>Goal</b>	Provide immediate grant support for businesses hardest hit by COVID-19.
<b>Funding</b>	Michigan Small Business Relief Program
<b>Funding Amount</b>	\$10 million
<b>Funding Availability</b>	On or about April 1, 2020
<b>Overview</b>	Provide up to \$10 million in grant funding to one or more local economic development organizations or nonprofit economic development organizations to provide grants up to \$10,000 to support certain small businesses statewide that have realized a significant financial hardship as a result of the COVID-19 outbreak. Amount per lead local economic development partner will be determined based on potential impact per region.
<b>Eligible Businesses</b>	<p>Eligible Business means a business that:</p> <ul style="list-style-type: none"> <li>• The company is in an industry outlined in Executive Order 2020-9, or any subsequent Executive Order of similar intent ("EO"), or demonstrates it is otherwise affected by the COVID-19 outbreak, that meets one or more of the following: provides support to impacted employees, is located in a downtown district or high impact corridor or has 50 employees or less, or is a company that provides services to companies outlined in the EO and requires additional employees to support to companies or employees impacted by EO;</li> <li>• The company has 50 employees or less;</li> <li>• The company needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business; and</li> <li>• The company is able to demonstrate an income loss as a result of the EO, or the COVID-19 outbreak.</li> </ul>
<b>Eligible Uses</b>	Grants may be used for working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business

Additional information can be found online at [michiganbusiness.org/covid19/](https://michiganbusiness.org/covid19/)



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## Michigan Small Business Relief Program: Loans

<b>Goal</b>	Provide immediate small business loans to businesses immediately impacted by COVID-19.
<b>Funding</b>	Michigan Small Business Relief Program
<b>Funding Amount</b>	\$10 million
<b>Funding Availability</b>	On or about April 1, 2020
<b>Overview</b>	The MSF, in coordination with Local Economic Development Organizations, will provide up to \$10 million in small business loans to support certain small businesses statewide that have realized a significant financial hardship as a result of the COVID-19 outbreak. Loans to eligible borrowers must be \$50,000 or more and are capped at \$200,000.
<b>Eligible Businesses</b>	<p>Eligible Business means a business that:</p> <ul style="list-style-type: none"><li>• The company is in an industry outlined in Executive Order 2020-9 ("EO"), or demonstrates it is otherwise affected by the COVID-19 outbreak, or is a company that provides goods and services to companies to the aforementioned;</li><li>• The company has fewer than 100 employees;</li><li>• The company needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business;</li><li>• The company can demonstrate that it is unable to access credit through alternative sources;</li><li>• The company can demonstrate an income loss of as a result of Executive Order 2020-9.</li></ul>
<b>Eligible Uses</b>	Loans may be used for working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business.
<b>Interest Rate</b>	.25% per annum
<b>Term</b>	Interest only for 60 months following loan closing followed by a fully amortizing 60 month term
<b>Repayment Terms</b>	Repayment terms will be determined based on business need and are anticipated to be monthly interest only payments for the first 60 months following closing. Payments made in excess of interest due will be applied to principal. Once principal is repaid, it may not be re-drawn. Payments of principal and interest will begin at 61 months following closing and will be paid monthly with all principal due to be repaid no later than 120 months following closing.

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