

Loan Programs

SMALL BUSINESS LOAN PROGRAM

PURPOSE

The purpose of the Small Business Loan Program is to assist small businesses in Kewanee affected by the COVID-19 Pandemic to help ensure their survival and the retention of jobs within the community. Loans under the program will be small (under \$20,000) short-term loans (three years or less) with a low-interest rate (2,5%) , extended to self-employed individuals or small businesses with only a few employees..

AUTHORIZATION

The City of Kewanee is the administrator of this program. Budgetary approval for the program rests with the authority of the City Council, while authorization for program implementation is the responsibility of the City Manager and assigned staff.

ELIGIBLE AREAS

Financing under this program is available to all eligible businesses located within the city limits of the City of Kewanee.

ELIGIBLE APPLICANTS

Applicants for the program must be existing legal businesses in good standing with the State of Illinois, located within the City of Kewanee, with a proper local business license (if applicable), insurance, and required permits per local, state and federal requirements. The business can be a tenant leasing space or an owner of property where the business is located.

PROGRAM BENEFITS/ELIGIBLE USES

Eligible use of program funds include but are not limited to:

- Payroll
- Working capital
- Inventory or supplies

FUNDING INFORMATION

The program will operate from May 1, 2020 through June 30, 2020, with applications accepted on a continual basis and funded on a first come, first served basis until budgeted resources are exhausted. The minimum loan under this program is \$2,500 and the maximum loan amount is \$20,000.

APPLICATION/APPROVAL PROCEDURE

Applications are available online through the City's website. The City will evaluate applications based on the information submitted and the project's conformance with adopted goals and desired outcomes of the City.

A completed application form and required submittals shall be submitted to the City, including a detailed description of the intended use of funds and collateral to be pledged as security for the note, if applicable.

Approval of applications, though dependent upon available funding provided by the City from multiple sources, will be provided by the City Council and requires no action from any other body in order to streamline the approval process.

Loans under the program are for a period not to exceed 36 months. Terms and conditions of each loan will vary based on circumstances.

CONTACT

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