

Frederick County Business Financial Tool

A Community project put together with information from local leaders, TechFrederick, & Frederick County OED

Loan Program	Maryland Department of Commerce Emergency Relief Manufacturing Fund	SBA Economic Injury Disaster Loan	CARES Act Paycheck Protection Program Loan	Cares Act Payroll Tax Deferral	CARES Act Employee Retention Refundable Tax Credit	MARBIDCO Pandemic Adjustment Loan Fund Program APPLICATIONS DUE MAY 31st
	State of Maryland	SBA	SBA Partner Lenders (through small business 7(a) program)			Maryland Agricultural and Resource-Based Industry Development Corporation
Eligibility	<p>Currently be located, and plan to manufacture PPE in Maryland. Be in good standing with the State of Maryland and with OSHA and MOSH regulations. Demonstrate an ability to quickly implement the proposed project in order to meet the urgent needs resulting from the COVID-19 response.</p> <p>Critical Needs List</p>	Small business with < 500 employees	<p>Starting April 3, 2020, small businesses and sole proprietorships can apply to cover their payroll and other certain expenses through existing SBA lenders.</p> <p>Starting April 10, 2020, independent contractors and self-employed individuals can apply to cover their payroll and other certain expenses through existing SBA lenders.</p>	<p>Businesses - Will not apply to employers with small business loan debt forgiven under the bill.</p> <p>Will not apply to employers who have loans forgiven under the Paycheck Protection Program</p>	<p>Employers that are hurt by the coronavirus but retain their employees. Employers could receive the credit if a government order related to the pandemic requires them to partially or fully suspend operations, or if their gross receipts declined by certain thresholds.</p> <p>Employers with more than 100 full-time employees in 2019 would receive credits for wages paid to employees while they aren't providing services. Employers with fewer employees would receive credit for wages paid while operations were suspended or during the quarter in which the company had a significant decline in gross Receipts.</p> <p>Will not apply to employers with small business loan debt forgiven under the bill</p>	<p>For food and fiber producers. Must currently be operating their qualifying business enterprises in a substantial manner (e.g., as farmers, loggers, seafood harvesters, or as primary food/fiber processors). Spin-off activities of the existing main business enterprise are eligible and encouraged, but purely start-up enterprises are not eligible. As such, all applicants must demonstrate that they are currently, or recently have been, producing, harvesting or processing food or fiber products.</p> <p>MARBIDCO borrowers who are not currently in good standing are not eligible for this program.</p>

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<i>Application Process</i>	Through the Dept. of Commerce's website	Through SBA's website	Through participating SBA Lenders			Through MARBIDCO's website
<i>Amount</i>	Grants of up to \$100,000	Up to \$2,000,000 Applicants who apply for this loan may request an advance Emergency EIDL forgivable loan of up to \$10,000 and may receive this within 3 days. All applicants who applied prior to 3/30 should re-apply to get access to the forgivable loan.	Lesser of 2.5x average monthly plus any disaster loan made after 1/1/2020 or \$10 million.	Defers 50% of self-employed Social Security payments and employer payroll and railroad retirement payments.	Refundable credit of 50% of eligible employee wages paid after 3/12/20 and before 1/1/2021. Provided for as much as \$10,000 of compensation including health benefits	Loans of up to \$3,000 in working capital and up to \$10,000 for equipment purchases
<i>Interest rate</i>	n/a, this is a grant	3.75% for businesses, 2.75% for non-profits	1%	N/A	N/A	Fixed rate of 3.75%
<i>Term</i>	n/a, this is a grant	Up to 30 years	Up to 2 years Provides formula-based loan forgiveness	N/A	N/A	Loan repayments will be made interest-only for 5 mths beginning in August, followed by amortizing payments for 12-36 mths. Borrowers who make all payments will receive a 10% grant back (of the original amount borrowed) at the end of the loan term.

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<i>Borrower Credit Requirements</i>	Grants will be made available to manufacturers to increase existing capacity to produce critical need items or pivot operations to produce items.	Personal Credit score of 575	Borrower must make certain good-faith certifications that they will use the funds to retain workers, maintain payroll or pay rent. (1)		This credit is available to employers who meet either of the following conditions: (1) the employer's operations are either fully or partially suspended by a government order relating to COVID-19; or (2) the employer's gross receipts during a calendar quarter are less than 50% of the gross receipts for the same calendar quarter during 2019.	620 (of the principal business owners)
<i>Eligible uses</i>	Eligible costs include but are not limited to capital expenses such as machinery and equipment, raw materials needed for production, and operating expenses associated with increased production.	Working capital, fixed debts, payroll, accounts payable and other expenses	Payroll costs, healthcare benefits, salaries, interest payments on any mortgage obligation (no prepayments), rent, utilities, interest on debt incurred before covered period. Can't use the funds to compensate employees over \$100,000.			Working capital includes (but is not limited to): planting materials such as seeds, fertilizers and plastic covers, hand tools, advertising and marketing expenses, and hired labor. Tangible equipment includes equipment with 7 years or more usual lifespan such as: motorized equipment, vehicles, commercial kitchen facilities, engine replacement, refrigeration units, etc.
<i>Deferment?</i>	n/a	Based upon ability to pay back the loan	Yes, Payments could be deferred for 6 months and up to one year	Defers payroll tax payments through the end of 2020. 50% due 12/31/ 2021, 50% due 12/31/ 2022.		

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<i>Personal Guarantee or Recourse?</i>	n/a	Loans over \$200K require personal guarantee.	No			Required. All loans made to a business entity must be personally guaranteed by the owners of the business.
<i>Collateral Required?</i>	n/a	No collateral on loans less than \$25K. General security interest instead of real estate for larger loans.	No			None

(1) Requirements:

- a. Make a good faith certification
 - i. That the uncertainty of current economic conditions makes necessary the loan request to support the ongoing operations of the eligible recipient.
 - ii. Acknowledging that the funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments and utility payments.
 - iii. That the eligible recipient does not have an application pending for a loan under his subsection for the same purpose and duplicative of amounts applied for or received under a covered loan
 - iv. And during the period beginning on Feb 15, 2020 and ending Dec 31, 2020 that the eligible recipient has not received amounts under this subsection for the same purpose

COVID 19 relief funding from the Federal government is a very dynamic and continuously updating resource. The program information is accurate for programs that have been announced and the links to applications and programs are valid. Because of the tremendous demand for funding under the programs, actual loan and grant *funds* are subject to the availability of resources of the SBA. Future cash funding of the SBA programs is subject to ongoing actions of the US Government.