

**A MESSAGE FOR ALL BUSINESSES FROM MAYOR TOM DUNN and ECONOMIC DEVELOPMENT
DIRECTOR PAT MCKINNEY**

We know these are very trying times for our local businesses. Both the State of CT and the Federal Government have announced programs to support and assist your business financially.

The State of CT Department of Economic and Community Development is announcing a new “bridge loan” program for businesses affected by the COVID19 virus. The program intends to offer loans for a period of 12 to 18 months at interest rates of 0% to 1%. The intent is to be able to provide these loans very quickly as a solution for temporary cash flow issues a business may be experiencing. Additionally, any business that currently has an outstanding loan with the State under either the Manufacturers Assistance Agreement program (MAA) or the Small Business Express program (SBX) may apply for a moratorium on current payments. The Governor and DECD Commissioner David Lehman are in negotiations with banking industry senior management about the possibility of providing payment moratoriums and their loans also. For specific questions related to small business, email the Joint Information Center at COVID19.JIC@ct.gov, or call the DECD small business hotline at 860-500-2333. Individuals can call 2-1-1 for more information. For the most updated information, check ct.gov/coronavirus.com.

Additionally, the Small Business Administration Disaster Loan Program is also offering financial assistance. These loans (up to \$2,000,000.00) will be funded at an interest rate of 3.75% APR except for non - profits which will be funded at an APR of 2.75%. Although these loans are at a higher rate than the CT DECD program, they may be financed for up to thirty (30) years making the monthly payments much more affordable. Traditionally these loans take longer to process. The SBA emailed out that business owners should apply online in the Disaster Loan Application Portal at <https://disasterloan.sba.gov/ela/>.

The Federal Government is scheduled to pass legislation today for \$367B in assistance for small businesses. Although not all the details are available as yet some of the highlights are:

- Businesses with 500 or less employees are eligible.
- The program will fund 8 weeks of cashflow which can include payroll, paid sick leave, insurance, mortgage/rent payments, and utilities.
- These loans may be forgivable under certain conditions.
- The Federal Government is planning to set up a temporary agency to administer these loans.
- Additionally, the program will also be administered by already SBA approved local banks and credit unions.

We suggest that local businesses check out the SBA website <https://www.sba.gov> and/or reach out to their local bankers for guidance. As more detail information becomes available, we will continue to post on the Town’s home page.

Our local businesses are very important to all of us. If we can be of any further assistance, please send email to: Patrick McKinney, Director of Economic Development at pmckinney@wolcottct.org.