Goal: Provide immediate loan support for businesses hardest hit by COVID-19 in the City of Kalamazoo.

Funding: Kalamazoo Small Business Loan Fund.

Funding Amount: Between $5,000 to $50,000.

Funding Availability: April 1, 2020.

Overview: Provide between $5,000 to $50,000 for small business loans to eligible borrowers to be used to provide low-interest loans to support small businesses in the City of Kalamazoo that have realized a significant financial hardship as a result of the COVID-19 outbreak. Loans to eligible borrowers must be $5,000 or more and are capped at $50,000.

Eligible Businesses: An “Eligible Business” means a company in an industry outlined in Executive Order 2020-21, or any previous and subsequent Executive Order of similar intent (“EO”), or demonstrates it is otherwise affected by the COVID-19 outbreak, that meets the following:

- Provides support to impacted employee(s);
- Is located in the City of Kalamazoo;
- Has 50 FTE employees or less;
- Has annual revenue of $2.5 million or less;
- 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
- Is able to demonstrate an income loss as a result of the EO, or the COVID-19 outbreak.

Eligible Uses: 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.

Interest Rate: 1.0% per annum.

Term: No payments for 6 months after loan closing, followed by a fully amortizing 30-month term.

Repayment Terms: Payments of principal and interest will begin at 6 months following closing and will be paid monthly on the first of the month, with all principal due to be repaid no later than 36 months following closing. Once principal is repaid, it may not be redrawn.

Additional Information can be found online at changethestory.org/kalamazoo-small-business