

SMALL AND MICRO-BUSINESSES

REGIONAL REVOLVING LOAN FUND

A partnership between MAPA and NEF

This Revolving Loan Fund is a **partnership between the Metropolitan Area Planning Agency (MAPA) and the Nebraska Enterprise Fund (NEF)**, funded through the U.S. Economic Development Administration (EDA), specifically to **support and advance small and micro-business recovery and resiliency related to the COVID-19 pandemic**.

Specifically this partnership will **increase outreach** with revolving loans, training, and coaching to vital small and micro businesses in the region and will **provide funding** for locally owned start-up businesses, as well as, existing **businesses seeking to expand** and/or that have **been impacted by COVID-19**.

These businesses will demonstrate the capacity to create and/or retain quality local jobs. Priority will be given to local businesses owned and operated by underserved entrepreneurs.

- 1) Funds available for each job retained/created: **\$35,000**
- 2) Maximum funds available per project: **\$150,000**
- 3) Financing up to: **20 years**

Lending Products

- Direct Loans
- Gap Financing
- Invoice Financing

Technical Assistance

- On-Going Training to expand business acumen and competency
- Coaching & Mentoring to individuals and/or small groups

MAPA-NEF RLF Targets businesses that:

- 1) Seek funds for business growth & expansion
- 2) Demonstrate or project the ability to succeed
- 3) Create or retain employment opportunities in MAPA's service area

Note: Loans will only be available to individuals, businesses and companies located in or expanding into the six-county area served by MAPA.

MAPA Regional Counties Served



www.mapacog.org

www.nebbiz.org

Eligible for-profit businesses include:

- Manufacturing, assembling, fabricating or processing of tangible personal property
- Storing, warehousing, distributing, transporting, or selling of tangible personal property
- Conducting research, development, or testing for scientific, agricultural, animal husbandry, food product, or industrial purposes
- Performing data processing, telecommunications, insurance or financial services
- Transportation, retail, service and tourism
- Food Service and Catering
- Construction and related activities

• The administrative management of any activities, including headquarter facilities relating to such activities only when jobs are created and/or retained. In the case where the loan will impact job retention, the borrower must demonstrate how many jobs will be lost without the loan. Financial records must be provided to NEF to support this claim.

Eligible Activities include:

- Acquisition of real estate and buildings
- Construction or renovation of real estate either leased or owned
- Acquisition of machinery, equipment, property or services
- Working Capital
- Public Infrastructure (streets, water, sewer, electrical) necessary to accommodate businesses (only if jobs are created/retained)
- Administration costs related to servicing the RLF Program - No Capital Base loan funds will be used for paying administrative expenses.

Details include:

- At least **one (1) job must be created or retained for each \$35,000** in individual loans, while striving to maintain a **\$15,000/job ratio** in the RLF portfolio
- Generally, RLF funding may not represent more than 40% of the total costs
- The RLF funding must be necessary and appropriate **based upon a review of other possible financing assistance**
- The RLF funding is reasonable in relation to the achieved public benefit
- **10% minimum equity injection** from business owner – certain types of businesses will require a 20% equity injection
- **No production agriculture** – such as hog confinements, cattle yards, and row crops like corn and soybeans
- Loans typically range from **\$5,000 to \$150,000**
- Job Pirating will not be allowed in any instance
- **Loans over \$150,000** will require NEF Board action
- Loans larger than **\$150,000 will be considered based on job creation** to encourage a business which offers its employees above average wages for the county, to locate or expand into MAPA's service area.

For complete details: www.mapacog.org or www.nebbiz.org

