



## CITY OF LA GRANDE, OREGON EMERGENCY BUSINESS LOAN PROGRAM

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*The City of La Grande is working in partnership with local, state and federal officials to respond to the adverse economic & market conditions created by COVID-19 and the necessary public health measures to combat the virus.*

*This emergency loan is only one small part of the massive social and economic response needed for this crisis. While we recognize the vast additional need, we have to be realistic about the role we can play. We are making available City General Fund dollars to fund a limited number of loans of up to \$10,000. Priority will be given to businesses that provide essential services such as food service, groceries, and retail.*

*Loan applications will be accepted for the first round of funding review beginning, **Monday, April 6, 2020, at 8:00 am until 5:00 pm on Wednesday, April 8, 2020.** Applications submitted after this deadline will be considered only if additional funding is available and will continue until funding is exhausted.*

*The Emergency Business Loan Is Intended To:*

- *Help businesses remain solvent through the crisis and be ready/able to rebuild;*
- *Fill specific cash flow gaps in businesses' larger efforts to scale down, reduce expenses, and take any additional defensive measures to survive the crisis.*

*The Emergency Business Loan is NOT:*

- *Intended to replace lost business income;*
- *Intended to fund pre-crisis-level operations;*
- *A mechanism to pay wages of staff that the business can no longer financially support;*
- *A low cost business loan for industries relatively un-impacted by the crisis.*

*Eligible Businesses:*

- *MUST be physically located within the City of La Grande City Limits;*
- *Those immediately impacted by public health restrictions;*
- *Had 50 or fewer employees when operating at full scale (defined as December 2019);*
- *Were generally stable/strong prior to the crisis.*

*Acceptance of this loan includes a commitment to monthly reporting and ongoing technical assistance.*

## Proposed Loan Terms

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- Loan amount up to \$10,000
- Interest Rate 1%
- Loan Term Up to 48 months
- Loan Fee: None
- Mandatory business check-ins & financial reporting at months one, three and six during zero payment period.
- Repayment Schedule:
  - Months 1-6, payments deferred and no interest
  - Months 7-12, interest-only payments
  - Months 13-48 principal & interest payments

## Initial Required Documentation

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- Completed City of La Grande Emergency Loan Application
- 2019 Tax Filing or 2019 Profit and Loss Statement
- February 2020 30-Day Interim Financials
- Projected budget including proposed loan funds
- Emergency Plan:
  - Immediate cash flow needs and requested loan amount
  - Summary of Changes to Business Plan/Model (including how long it's sustainable)
  - Budget
    - Emergency Operating Budget
    - Projected Budget once crisis is over including loan funds
    - Have you talked to your landlord or property owner about deferred payments?
    - Do you have a commercial loan? Have you talked to lender about deferred payments?
  - Itemized list of proposed uses of loan funds (including whether 1-time or recurring)
  - Emergency Staffing Plan to include:
    - How many employees did you have prior to COVID-19
    - Have you laid off employees? How many?
    - Will this money allow you to retain or rehire employees? How many?
    - Do you provide health insurance? Will this let you continue to provide insurance?
  - Marketing Plan (if still operating or when re-open)
  - How your supply chain is / could be effected by the crisis and your contingency plan
- Attach a copy of your current business plan. If you do not have a business plan, you will be asked to complete one prior to month 3 of your deferral.

## FAQs - Frequently Asked Questions

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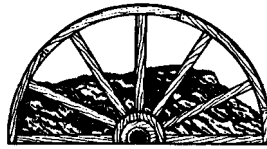
- Q: Is my business eligible for this loan if our business is operating as usual?  
A: No. This loan is designed to help businesses combat short-term crisis-related adverse conditions.
- Q: Am I eligible if my business is completely closed due to public health restrictions?  
A: Yes. We understand that businesses may have zero income during this time. We ask that you also explore every possible other measure of support (e.g. forbearance on existing loans, reduction in rent, etc.)
- Q: What can the loan be used for?  
A: It depends. Each business will have unique needs, so you will need to clearly explain in your emergency plan how the funds will be used and how that will help you through the crisis. It might be covering rent/insurance while your restaurant is closed. It might pay off net 30 invoices from pre-crisis. There are no specific limitations.
- Q: Are borrowers required to personally guarantee this loan?  
A: Yes.

5. Q: What happens if this crisis extends longer than expected, my contingency plan doesn't work, and I have to close the business permanently?  
A: None of us can predict the duration or extent of this crisis. If your business closes permanently within the next 12 months, we will do our best to work with you on a solution.
6. Q: If I already have an Urban Renewal Loan, does this loan release me from my existing loan payments or other financial obligations?  
A: No. Any desire to modify existing loan payments must be requested separately.
7. Q: Do I need collateral for the loan?  
A: No.
8. Q: What happens when/if the loan fund runs out of money?  
A: We expect that this will happen. When it does, we will place applications on a waiting list in date/time order of submission. Qualified loans will be reviewed for priority criteria and funded on a first come, first-served basis.
9. Q: Will this loan impact my eligibility for other government assistance?  
A: Not that we know of, and we will follow other assistance programs closely, to monitor the impact of these loans on other programs. The City of La Grande does not want this product to block other resources, and can adjust this program accordingly.
10. Q: Can I apply for this loan if I don't have a Social Security Number?  
A: Yes. Please provide your Tax Identification Number in the appropriate application field.

Please send completed application and required initial documents to:

[Lagrandeloan@NEOEDD.org](mailto:Lagrandeloan@NEOEDD.org)

**If you have questions about the application or the Emergency Plan, please contact Christine Jarski at [cjarski@cityoflagrande.org](mailto:cjarski@cityoflagrande.org) or (541) 962-5994.**



CITY of LA GRANDE  
THE HUB OF NORTHEASTERN OREGON

## CITY OF LA GRANDE, OREGON EMERGENCY BUSINESS LOAN APPLICATION

<i>Business</i>	
Name:	
Phone Number:	Tax ID #:
Email Address:	
Physical Address:	
Mailing Address (If Different From Above):	
<i>Loan Information</i>	
Amount Requested (\$):	Minimum Loan Amount You Could Accept (\$):
Brief Use of Funds:	
<i>Borrower</i>	
Name:	
Home Phone Number:	Work Phone Number:
Email Address:	Drivers License State and Number:
Home Address:	
Previous Home Address (If Less Than 2 Years at Current Address):	
Social Security Number or Tax Identification Number:	Date of Birth (MM/DD/YYYY):
Amount of Outside Income (\$):	Share of the Business (%):

# CITY OF LA GRANDE, OR EMERGENCY BUSINESS LOAN APPLICATION

<i>Co-Borrower</i>	
Name:	
Home Phone Number:	Work Phone Number:
Email Address:	Drivers License State and Number:
Home Address:	
Previous Home Address (If Less Than 2 Years at Current Address):	
Social Security Number or Tax Identification Number:	Date of Birth (MM/DD/YYYY):
Current Employer Name:	Income (\$):
Length of Employment (Years, Months):	Share of the Business (%):
Additional Source of Income (Type, Amount):	

*I authorize City of La Grande or its designee to obtain credit reports and verify any information in connection with this application. I agree City of La Grande or its designee may contact me, for all notices and reminders pertaining to my account, by phone at any phone number listed with my account, including cell numbers, which may result in additional charges. I agree to receive text messages, which may result in text messaging rates. City of La Grande may also contact me by sending e-mails, using any e-mail address provided. I can discontinue electronic delivery service at any time by notifying City of La Grande directly.*

Borrower	Date
Co-Borrower	Date

Within a single email, please send completed application and initial required documents to:

[lagrandeloan@neoedd.org](mailto:lagrandeloan@neoedd.org)