

# Guidance to Economic Development and Revolving Loan Fund Availability during COVID-19 Pandemic

## INFORMATION

### Economic Development and Revolving Loan Fund Programs

We understand the impact COVID-19 may have on local businesses supported by the State of Ohio's CDBG Economic Development and Revolving Loan Fund (RLF) Programs. These programs allow Ottawa County to issue low-interest, gap financing for fixed assets to local businesses, and loan packages may include working capital up to a percentage of program income received in one year. Given the recent mandated shutdowns of many industries statewide, we will allow the following flexible financing terms for new and existing loans during the State of Emergency:

- Low Interest loans as low as 0% interest loans
- Working capital loans may be approved without accompanying fixed-asset investment
- Deferred principal and interest for new and existing loans for up to 6 months with a 6-month renewal option as deemed appropriate and documented by the local RLF board

New Economic Development and Revolving Loan Fund projects are still required to meet the low- and moderate-income (LMI) job creation and/or retention requirement. At least 51% of jobs created and/or retained must qualify as LMI. **Applicant businesses may use current economic conditions to evidence that Ohio will imminently lose jobs to support a job retention claim.**

Local governments must continue to submit Economic Development pre-applications and RLF applications for new loans via email for review to the State of Ohio. The State will attempt to expedite approval given the current business climate. **The County has limited funds in this program as such requests may be altered or capped at certain amounts depending on the demand for these loans.** Should you have questions regarding the program or how to apply please call the Ottawa Regional Planning Commission at (419) 734-6780 or email at [mmessa@co.ottawa.oh.us](mailto:mmessa@co.ottawa.oh.us)