Dubuque Initiatives Emergency Bridge Loan Program FAQ

**What is the Dubuque Initiatives Emergency Assistance Fund?** This fund is designed to create “bridge” loan financing of up to $10,000 that a local small business can use until pending state and federal financing support becomes available to them.

**Is this a loan or a grant program?** It is a loan fund. We will lend money to a business for its operating expenses. When it repays its loan, we will be able to lend it again to other businesses.

**What is the cost to apply?** There is no cost to apply. There is no obligation to take the loan if approved.

**What can funds be used for?** Funds may only be used for the operating expenses of the awarded business. The operating expenses are defined as the day-to-day trading operations of the business such as covering payroll and related expenses, utilities, lease payments, mortgage payments, etc.

**What is the funding source for this program & who is administering the program?** The program is funded through Dubuque Initiatives, a non-profit organization and it is administered by ECIA Business Growth, Inc.

**Where must businesses be located to be eligible to apply?** The program will be available to all businesses located within the City of Dubuque meeting the eligibility requirements and that have applied for state or federal assistance. Ineligible: Businesses that are sole proprietors, independent contractors, and other self-employed individuals with no employees other than himself/herself; non-profit; franchises; or chains.

**Why must I agree to share financials?** The business must provide proof of loss of revenue due to a destabilizing event.

**What size loans will you make?** No minimum and a $10,000 maximum.

**What are the terms and interest rate of the loan?** The loan is in deferment for the initial 6 months. Hopefully the loan is retired when the borrower receives state or federal assistance within 60 days of application. In the event it is not retired after the six-month deferment the loan will have a 1% interest rate per annum with monthly principal and interest payments for 30 months.

**What are the collateral requirements?** None. Loan is unsecured.

**Why must I agree to provide copy of driver’s license for authorized signer?** Federal regulation requires a lender to know its customer and to obtain a form of identification from anyone opening an account including signers on an account.

**What do I need for the application?** Applications are to be submitted to a secure website or can be delivered (the Covid-19 Business Helpline team will give you information). The following documentation is needed to process an application:

- Copy of the completed application for state or federal assistance with the required supporting documentation from one of the loan programs listed below:
  - Small Business Administration Payroll Protection Program application
  - Small Business Administration Economic Injury Disaster Loan
  - Iowa Small Business Relief Fund
- Entity evidence documentation (Articles of Incorporation, Bylaws, Operating Agreement, etc)
• Driver’s License of authorized signer(s)
• For ACH: Evidence of bank account ownership ie void check or bank statement

**Note:** Additional items may be requested for approval. Partially submitted data will not be considered or may delay consideration.

**What happens after I upload the PDF file?** The business will receive an email within 24 hours confirming that ECIA received its application and is reviewing the request.