

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.