

CARES ACT REVOLVING LOAN FUND

A program for retaining jobs in northeast Minnesota

Committed to helping Northeast Minnesota respond and recover to the coronavirus pandemic, Southwest Regional Development Commission created a COVID-19 Revolving Loan Fund (RLF) program. This new program is designed to assist in alleviating sudden and severe economic dislocation caused by the pandemic, to provide permanent resources to support economic resiliency, and to further the long-term economic growth of Northeast Minnesota.

Eligible Applicants

For profit and non-profit businesses and organizations who have been negatively impacted by the coronavirus pandemic are eligible to apply. Businesses must be located in Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, or St. Louis Counties.

ARDC COVID-19 RLF

Quick Facts

Origination Fee: Will be waived with proof of COVID pandemic impact.

Loan Cap: \$250,000

Loan Timeframe: 10 years

Interest: Fixed interest at 75% of the prime interest rate (2.44% currently).

12 Month Deferment Possibilities

No primary lender needed

Funds available for a limited time.

Priority Projects

Priority projects will be those that assist with preventing, preparing for, and responding to the coronavirus pandemic. Projects could include, but are not limited to:

- working capital for existing businesses
- fixed assets and inventory
- real estate

Loan Parameters

Loans may range in size from \$10,000 up to \$250,000. The ARDC CARES RLF can function as the sole lender for this loan fund or can be combined with an additional lender(s) to leverage funds. These other lenders may be traditional lenders (banks) or non-traditional lenders (foundations, non-profits for example).

Interest Rate: Fixed interest rate as low as 75% of the prime interest rate for remaining years. Interest rate is secured at loan closing.

Example: Prime Rate as of 10/1/2020= 3.25%
ARDC COVID-19 RLF Rate= as low as 2.44%

Application Timeline

Applications accepted on a rolling basis but are available for a limited time. The Revolving Loan Fund Committee meets as needed to consider requests. Pre-Applications are available online at www.ardc.org/rlf.

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