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DLEDC Disaster Relief Loan Program

The purpose of this fund is to provide a flexible lending program to provide working capital to retail, service, or related business in the DLEDC service area facing financial hardship from business disruption due to factors beyond their control, including but not limited to natural disasters, pandemics, and state, local, or national mandates. This fund is not intended to replace business disruption insurance but rather to provide options to sustain local businesses facing hardship due to disruption related to events not covered by those policies.

Program Highlights

- SBA matching interest rate
- Tiered loan limits, according to number of employees:
  - 0 – 2 employees: up to $10,000.00
  - 3 – 6 employees: up to $15,000.00
  - 7+ employees: up to $20,000.00
- 90-day grace period before repayment begins
- Up to 10 year term
- Balloon Payment of July 1, 2023

Intended Uses

- Payroll and related expenses, including benefits
- Inventory and payments to suppliers
- Emergency repairs necessary to maintain business operations or preserve integrity of facility or equipment
- Building rent
- Utilities and telecommunications services
- Debt service for items not prohibited under “Ineligible Uses

Ineligible Uses

- Debt repayment for real estate or other fixed assets – unless temporary relief cannot be negotiated directly with the original lender(s)
- Purchase of new or pre-owned furniture, fixtures, or equipment not essential to maintain or re-open under the same conditions as before the disruption
- Building or other real estate purchases
- Investments not directly related to existing employee benefits

Program Eligibility

- For-profit business located within the DLEDC's service area that were operational as of March 1, 2020
- Demonstrated hardship from business disruption, such as a necessary or mandated reduction in business hours, services, or both

Borrowers are encouraged to access related local, state, and/or federal programs, such as Disaster Loans through the US Small Business Administration (SBA), the SD Department of Labor, the SD Governor's Office of Economic Development, or relief programs offered directly through area lenders: SBA.GOV

Completed applications will be considered on a first-come, first-served basis as long as funds are available. Borrowers must provide proof of ownership as outlined in the application and sign all required documents prior to the disbursement of funds.

NOTE: At this time, all applications must be mailed or emailed, as our offices are closed to the public.

Online Application Form: You can download, complete and fill out the form online below. It is best to view and complete the application from your desktop. Afterward, please print and mail the application to DLEDC at the address shown on the application. If approved, the applicant will be required to sign a promissory note and personal guaranty.

You can also email the completed application along with your required exhibit to: director@deadwoodleadedc.com

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Application Checklist

☐ Signed and Completed Application

☐ Copy of government issued personal ID of all individual applicants.
(driver's license, state or federal ID)

☐ Copy of Federal business tax returns for the last 2 completed years for all individual applicants.

☐ Personal tax returns for the last 2 completed years with attached Schedule C
(for all individual applicants, if available and where appropriate)

☐ Additional information that the applicant believes would assist the Loan Review Committee in making its decision (such as a loan summary), including a statement as to why the business needs the loan.

☐ Understanding that a personal guarantee will be required.

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Disaster Relief Loan Application

Applicant Information

Name of Business

Applicant Name (Recipient of Funds)

Address

City | State | Zip

SSN # | Phone

Email Address

Business Information

Location Address

Mailing Address

City | State | Zip

Tax ID # (SSN/EIN)

Business Classification

Industry: | Business Structure: | ☐ Check if DLEDC Investor

Date Established: | State Incorporated:

# of Full-Time Employees: | # of Part-Time Employees:

Company Status

Check if any of these apply to you.

☐ The Company or applicant has delinquent state, federal or local taxes.

☐ The Owner(s)/Officer(s) have personal tax issues

☐ The applicant has been convicted of a felony

☐ The applicant/business has filed for bankruptcy

☐ The applicant has outstanding or pending litigation

Assistance Request Information

Have you discussed this Project Financing with a bank? ☐ Yes ☐ No Have you applied for SBA Disaster Loan? ☐ Yes ☐ No

Is your business currently shut down because of a local, state, or federal order? ☐ Yes ☐ No

Has your business been negatively affected by the COVID-19 crisis? ☐ Yes ☐ No

What is your monthly rent expense? | What is your monthly payroll?

Loan Amount Requested: *Note: At the discretion of Deadwood-Lead Economic Development, financial assistance may require collateral.*

Certification

It is hereby represented by the undersigned to Deadwood-Lead Economic Development Corporation to consider the financial assistance requested herein, that to the best of my knowledge and belief no information or data contained in the Application or in the attachments are in any way false or incorrect, and that no material information has been omitted, including the financial statements. In addition, the undersigned agrees that any funds that may be provided pursuant to this Application will be utilized exclusively for the purposes represented in this Application, as may be amended.

Public Announcement: Please be advised that your company may be highlighted by Deadwood-Lead Economic Development. Company proprietary or trade secret information WILL NOT be disclosed.

I have read & understood the above ☐ I certify the information submitted in this request is true and correct to the best of my knowledge. ☐

Name

Signature | Date