

**North Central Wisconsin Regional Planning Commission
BUSINESS DISASTER RECOVERY MICROLOAN (BDRM) PROGRAM**

PROGRAM OVERVIEW

The purpose of the Business Disaster Recovery Microloan (BDRM) program is to provide short-term assistance to businesses affected by disaster events. The program provides grants to pre-approved regional entities affected by disasters, either natural or manmade, which in turn provide microloans to businesses.

PROGRAM DESCRIPTION

NCWRPC was notified by WEDC that it was eligible to become a regional entity for the DRM program. As a result an application was submitted and the NCWRPC was designated for the ten counties of North Central Wisconsin, which is made up of – Adams, Forest, Juneau, Langlade, Lincoln, Marathon, Oneida, Portage, Vilas and Wood Counties.

These microloans are intended to assist impacted businesses with necessary restoration and operating expenses until more long-term recovery funding can be secured. Providing immediate recovery funding in this manner is a best practice in community economic disaster recovery and leads to improved odds of a business reopening and remaining open long-term.

PROGRAM ELIGIBILITY

Eligibility Requirements

BDRM program grants will only be made available to regional entities where WEDC has an agreement in place outlining the grant obligations and terms and conditions of the microloan program. Within 30 days following a natural or man-made disaster event, which may or may not include a corresponding State of Emergency or Disaster Declaration, the pre-approved regional entity will request allocation of funding to make microloans in its respective region. WEDC will expedite review and approval of the request.

Eligible Microloan Recipients

BDRM program funds are available to businesses meeting the following criteria:

- Must be located in or directly adjacent to a region where the authorized regional entity has received an allocation. Businesses located in counties adjacent to these 10 counties may be eligible if the geographic nature of the disaster dictates an agreement between DRM Program entities for efficient operation of the program.

- Must have suffered measurable physical damage because of the disaster event.
- Must attest to intent to resume business operations in the community as quickly as possible

Ineligible Businesses

The following businesses are ineligible for BDRM microloan funding:

- Payday loan and title companies
- Telemarketing other than inbound call centers
- Pawn shops
- Liquor stores
- Adult entertainment venues
- Home-based businesses
- Farms

Eligible Activities

BDRM program funds may be used for the following activities:

- Procurement of cleanup and restoration services
- Operating expenses such as payroll
- Temporary space
- Repair and reconstruction

INCENTIVES AND AVAILABLE FUNDING

The incentives in this program are grants to pre-approved regional entities based on need related to the disaster event to provide microloans to affected businesses under the following conditions:

- Amount: \$2,500 to \$15,000
- Term: Loan term to be 24 months (2 years) but can be extended to a maximum of 48 months (4 years) based on business cash flow analysis, with no early repayment penalty.
- Deferral: Minimum of six months
- Interest Rate: The interest rates for loans will be 0%
- Collateral and guarantees should be considered

Loan repayment uses will be monitored and reviewed for performance and value on an annual basis through the NCWRPC's annual work program and budget process. Loan repayments are retained by NCWRPC for future economic development uses.

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