

COVID-19
State of Michigan Programs

updated April 1, 2020



GRANTS - MICHIGAN SMALL BUSINESS RELIEF PROGRAM

Summary

The Michigan Small Business Relief Program was created to help companies address challenges created by COVID-19. Half of the allocated funds will be distributed to companies as grants and the other half as loans.

Eligibility Requirements

- 50 employees or less
- Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business
- Can demonstrate an income loss as a result of Michigan's Executive Order 2020-9, or the COVID-19 crisis
- The program contains some focus on businesses directly shuttered/harmed by the crisis (think restaurants, theatres, fitness centers, etc.) and some geographic focus on downtown districts/important corridors. Even if you do not fit in one of these categories/locations we strongly encourage you to speak with your EDO (more information below regarding who to contact) to determine eligibility. In practice, we expect many companies will meet the requirements.

How to access the program

Companies must apply through their local/regional economic development organization (EDO). To identify the EDO that serves your community click [here](#) to view a map. All businesses located in Michigan are served by an EDO. This is a competitive application process; not all applications will be awarded.

What benefits can a company and/or its employees expect to receive?

Your local EDO will determine which applications will be funded and in what amount. We expect this application process will be highly competitive as all businesses are facing challenges and each EDO has a limited amount of funds to disburse. Companies can receive a grant of no more than \$10,000.

GRANTS - MICHIGAN ECONOMIC DEVELOPMENT CORPORATION RETOOLING

Summary

Pure Michigan Business Connect is providing grant assistance to help companies or non-profits begin or ramp up production of critical supplies across a broad range of product categories.

Eligibility Requirements

- Be in accordance with [Small Business Administration \(SBA\) size standards](#) or be an established non-profit entity
- Be in good standing with the Michigan Department of Licensing and Regulatory Affairs (LARA)
- Provide an EIN number linked to a Michigan address
- Ability to begin manufacturing product within 30 days of award
- Be a registered State of Michigan SIGMA vendor. Please refer to <https://sigma.michigan.gov/webapp/PRDVSS2X1/AltSelfService> if you need to complete registration

How to access the program

Companies must be able to make products designated as high need. Including, but not limited to: Eyewear, Face Shield, Gloves, Gowns, Hand Sanitizer, Hospital beds, N95 Masks, No-touch thermometers, Surgical Masks, Testing Supplies, Ventilators, Wipes.

Applications can be submitted via this [link](#).

What benefits can a company and/or its employees expect to receive?

Grants of \$10,000 - \$150,000 per entity. Total allocation by the Michigan Economic Development Council for this program is \$1,000,000.

LOANS - MICHIGAN SMALL BUSINESS RELIEF PROGRAM

Summary

The Michigan Small Business Relief Program was created to help companies address challenges created by COVID-19. Half of the allocated funds will be distributed to companies as grants and the other half as loans.

Eligibility Requirements

- 100 employees or less
- Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business
- Can demonstrate an income loss as a result of Michigan's Executive Order 2020-9, or the COVID-19 crisis
- Is able to demonstrate that the company is unable to access credit through alternative sources
- The program contains some focus on businesses directly shuttered/harmed by the crisis (think restaurants, theatres, fitness centers, etc.) and suppliers of goods/services to those companies. Even if you do not fit in one of these categories/locations we strongly encourage you to speak with your EDO (more information below regarding who to contact) to determine eligibility. In practice, we expect many companies will meet the requirements.

How to access the program

Companies must apply through their local/regional economic development organization (EDO). To identify the EDO that serves your community click [here](#) to view a map. All businesses located in Michigan are served by an EDO. This is a competitive application process; not all applications will be awarded.

What benefits can a company and/or its employees expect to receive?

Your local EDO will determine which applications will be referred to the Michigan Economic Development Corporation (MEDC). A committee formed by MEDC will review all referred applications and determine which applications will be funded and in what amount. We expect this application process will be highly competitive as all businesses are facing challenges and MEDC has a limited amount of funds to disburse. Companies can receive a loans of \$50,000 - \$200,000 with an interest rate of no more than 0.25%. Repayment of the loan will be: interest only for 60 months following loan closing followed by a fully amortizing 60 month term.

LOCAL PROGRAM EXAMPLES

Many cities, towns, and counties - large and small - are marshalling resources for businesses impacted by COVID-19. Local economic development organizations (EDOs) and Chambers of Commerce are key resources for your business in good times and difficult times. We encourage you to reach out to these organizations for programs and opportunities they may be administering or facilitating. Often, local resources may have a fast turnaround time when responding to your needs and providing assistance. Your community may be offering special relief programs similar to these:

Example: Atlanta, Georgia

The Invest Atlanta Business Continuity Loan Fund is a program recently established in partnership with the City of Atlanta and opens up to \$1.5 million in funding for zero interest loans to qualifying businesses. Loans are available from \$5,000 to \$30,000, have no application fee, 0% interest rate, and a 6-12 month deferment on the initial loan payment. Applications are required and certain eligibility criteria must be met before loans are dispersed.

Example: New Castle/Henry County, Indiana

The New Castle Henry County Economic Development Corporation is re-purposing its existing Enterprise Loan Fund in response to the COVID-19 pandemic. Companies can receive up to \$7,000 in low interest loans with interest-only payments for the first six months. Application fees and closing costs are waived. Firms with up to 30 employees are encouraged to apply and the funds are intended to offset COVID-19 losses, maintain employees, and provide PTO for employees.

Example: Berrien County, Michigan

The Berrien Community Foundation, Southwestern Michigan Tourist Council, and Cornerstone Alliance have partnered to provide specific, short-term relief for local businesses. The program offers zero-interest loans for Berrien County businesses and nonprofit entities that have a rent or mortgage payment due in April and/or May of 2020. Companies and non-profits can receive zero-interest loans of up to \$2,000 per month and repayment does not begin for six months.