



Village of Milan

2020 Commercial Business Assistance Loan Program

In response to the Coronavirus Disease 2019 (COVID-19) pandemic and ensuing Executive Order No. 2020-07 by the Governor of the State of Illinois, the Village of Milan has created the ***2020 Commercial Business Assistance Loan Program*** to provide loans to Affected Businesses who conduct commercial business operations within the Village of Milan.

Loan awards are offered as upfront funds to be used for verified eligible costs by Affected Businesses, up to a total amount not to exceed \$2,500.00. All applications are reviewed by the Village on a *first-come-first-serve* basis and approved subject to the availability of funds as authorized by the Village.

All required information, including verification of eligible project costs, must be submitted to the Village within ninety (90) days following approval of the application by the Village.

For more information, please contact Mr. Steve Seiver, Village Administrator,
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VILLAGE OF MILAN 2020 COMMERCIAL BUSINESS ASSISTANCE LOAN PROGRAM

Village of Milan, Illinois / 405 1st Street E, Milan, IL 61264 Ph: (309) 787-8500

The immediate goal of the *2020 Commercial Business Assistance Loan Program* (the “Program”) is to provide emergency assistance to Affected Businesses within the Village of Milan for costs of payroll, rent, renovations, inventory, equipment, and contracted cleaning and sanitizing services as it relates to COVID-19 precautions.

An “Affected Business” is defined for the purpose of the Loan Program as a commercial business that is suffering economic loss and hardship attributable to COVID-19 and Executive Order 2020-07, who had occupied a site and commenced commercial activities for at least 30 consecutive days as of March 16, 2020 at a street address located within the corporate limits of the Village of Milan; has sought assistance through the federal Paycheck Protection Program (PPP), or are precluded from seeking assistance from the PPP pursuant to the terms thereof; and are current on all municipal taxes and fees, including property tax, as of March 1, 2020. An Affected Business may be a sole proprietor, corporation or LLC.

All Affected Businesses are invited to apply for a Program Loan at the rate of one (1) Loan per Affected Business per occupied site, subject to availability of funds and approval of the Village. The Village of Milan reserves the right to award Loan funds only to those projects it deems to be compliant with the terms of the Loan Program and those projects that the Village believes will further stimulate the type of commercial redevelopment that is in the best interests of the citizens of the Village of Milan.

The Loan Program is available until such time as funds are no longer available or December 31, 2020, whichever occurs first.

Each Loan awarded to an Affected Business through application to the Loan Program shall be on a first-come-first serve basis, and limited to the Affected Business’s actual verified eligible project costs or **Two Thousand Five-Hundred and 00/100 Dollars (\$2,500.00)**, whichever is less.

The application procedure is as follows:

1. Complete the Program Application, including all required attachments or supplemental information, and submit everything to the Village Clerk’s office. Applications and attachments may be scanned and emailed to the Village or sent by regular US mail. All applications will be reviewed and recommended by the Milan Finance Committee (or a Committee selected by the Mayor) and approved or denied by the Mayor, which shall constitute Village approval. The Mayor’s action shall be attested to by the Village Clerk.
2. The Affected Business’s site must be located at an address within the corporate limits of the Village of Milan.
3. The Affected Business must have applied for assistance for an SBA Loan through the federal Paycheck Protection Program (PPP), or have been precluded from applying for assistance through the PPP pursuant to the terms thereof and be able to provide the reasons for such preclusion to the Village.
4. The Loan award shall be paid to the Affected Business by the Village within 10 (ten) business days following approval of the application by the Mayor.
5. Within ninety (90) days following approval of Loan funds to the Affected Business, said Affected Business shall then provide documentation to the Village of the use of the Loan funds for eligible project costs as defined under the Loan Program.
6. If the Village rejects a Program application, a written explanation will be provided to the Applicant. The Applicant may then revise and resubmit the Application for a second review.

No. _____

Village of Milan
Rock Island County, Illinois
2020 Commercial Business Assistance Loan Program Application

Affected Business ("AFB") Owner Name: _____

Business Site Address: _____ Business Name: _____

Date AFB's Commercial Activities began at this Site: _____

Subject Property Tax ID # _____ Business FEIN _____

Property Owner Name(s): _____ Sales Tax Exemption No. _____

AFB Daytime Business Phone: _____ Cell Phone: _____

AFB Mailing Address: _____ Email Address: _____

Type of Business (check one) Service Retail Other (*describe*): _____

(check one) Sole Proprietor Corporation LLC

Date AFB's lease will end (*if applicable*): ____ / ____ / _____ Copy of lease attached: Yes No

Total Estimated Eligible Project Costs: \$ _____ (*Eligible project costs may include payroll, rent, renovations, inventory, equipment, and contracted cleaning and sanitizing incurred on or after 4/1/20. Verification must be submitted to the Village within 90 days.*)

Total Loan Funds Requested: \$ _____

NOTE: All Loans are limited to \$2,500 of total eligible project costs incurred by an Affected Business for payroll, rent, renovations, inventory, equipment, and contracted cleaning and sanitizing services as it relates to COVID-19 precautions.

All Loans awarded through the **2020 Commercial Business Assistance Loan Program** (the "Program") shall be for eligible project costs incurred by the Affected Business, as defined below. Loans are approved and paid on a *first-come-first-served* basis, subject to the availability of funds and the approval of the Village. **Please read the following requirements carefully.**

ADDITIONAL REQUIREMENTS:

1. Only site addresses for Affected Businesses that are located within the corporate limits of the Village of Milan are eligible to apply for the Program at the rate of one (1) Program Loan for each business site.
2. The maximum Program Loan amount for each Project approved for the *2020 Commercial Business Assistance Loan Program* shall not exceed the total verified eligible costs incurred by the Affected Business, up to the maximum amount of **Two Thousand Five-Hundred and 00/100 Dollars (\$2,500.00)**. Eligible Project Costs include costs for payroll, rent, renovations, inventory, equipment, and contracted cleaning and sanitizing services as it relates to COVID-19 precautions that are incurred on or after April 1, 2020. Costs for business expansion, travel, meals and any non-business-related expenses are not eligible for the use of Loan funds under this Program.
3. Affected Businesses must, in advance of receiving Program Loan funds provide: a) copies of three (3) of the most recent invoices for common business expenses (i.e. utility bills, purchase of inventory, ST-1 forms, etc.); b) verification that the business that was open and in operation for at least thirty (30) days as of March 16, 2020; c) documentation showing that the business has applied for an SBA Loan through the federal PPP and acceptance or denial of such application or, alternatively be precluded from applying for PPP funds and provide the reasons for such preclusion to the Village; and d) verify the Affected Business does not owe any outstanding debts or fines payable to the Village of Milan and is current on all municipal taxes and fees, including property tax, as of March 1, 2020.

4. **Program Loans are paid by the Village of Milan to the Affected Business within ten (10) business days after approval of the application.** The Village's obligation hereunder to award Program Loan funds for eligible project costs is a limited obligation to be paid solely from the Milan Economic Development Fund.
5. Within ninety (90) days following receipt of Program Loan funds, the Affected Business must submit verification of the use of the Loan funds for eligible project costs, including copies of invoices and cancelled checks or other documentation as required by the Village.
6. **If Approved for SBA PPP:** An Affected Business that has been approved for an SBA Loan under the federal PPP is eligible to receive a Loan under this Program, which Loan shall be payable to the Village within twelve (12) months of receipt of the Loan funds from the Village.
7. **If Denied or Ineligible for SBA PPP:** An Affected Business that has been denied or was found to be not eligible for an SBA Loan under the federal PPP may receive a forgivable Loan under this Program. The Loan will be forgiven by the Village if the AFB remains in business for at least sixty (60) days following receipt of such Loan funds and the AFB remains in compliance with all other requirement of this Program.
8. An Affected Business receiving Program Loan funds must be in compliance with all Village Municipal Codes and conform to local zoning.
9. If any Affected Business receiving Program Loan funds hereunder fails to comply with any of the terms hereof or if any Loan funds are used for expenses that are not eligible under this Program, said Affected Business shall return said Loan funds received from the Village within thirty (30) days upon written demand of the same from the Village, along with any accrued interest thereon at a rate of 4% per annum.
10. The Village of Milan reserves the right to approve Program Loan funds only to those Affected Businesses for whom the Village has deemed his/her commercial activities to be compliant and are in the best interests of the citizens of the Village of Milan (see ***Appendix A***). The rights and obligations of the Affected Businesses under this Program Application shall not be assignable.

The undersigned certifies and warrants that to the best of his/her knowledge the information contained in and attached to this Application Form is true, correct and complete, that the business was open and operating for at least 30 days as of March 16, 2020, and furthermore agrees to the terms and conditions provided herein. Nothing contained in this Program Application shall be construed by the Village or the Affected Business Applicant or any third person to create the relationship of a partnership, agency, or joint venture between the Village and the Applicant. The Applicant hereby acknowledges that, in executing this Application Form, the Applicant has had the opportunity to seek the advice of independent legal counsel and has read and understood all of the terms and provisions of the Program. Subject to Village approval (***Appendix A***), this Program Application shall become a binding Agreement. The signatories of Developer warrant full authority to both execute this Agreement and to bind the entity in which they are signing on behalf of.

Applicant Signature _____ Date: _____

APPENDIX A

**Village of Milan
2020 Commercial Business Assistance Loan Program Approval Form**

(For Use by the Village of Milan, Illinois)

Affected Business (AFB) Owner Name: _____ Site Address: _____

Date application received by the Village: ____ / ____ / 2020 by _____

Property PIN on which Business Site is Located: _____

Property Located in a TIF District: Yes No TIF District Name: _____

Business Eligible for PPP funding: Yes No Reason: _____

Forgivable Loan: Yes No Reason: _____

Recommended by Committee: Yes, date: ____ / ____ / 2020 No (reason: _____)

Loan approved by Mayor: Yes _____ No (reason: *attached*)

APPROVED: _____ Date ____ / ____ / 2020
Mayor, Village of Milan

ATTEST: _____ Date: ____ / ____ / 2020
Village Clerk, Village of Milan

LOAN AWARD AMOUNT: \$ _____

Village Loan payment issued to applicant on ____ / ____ / 2020 Check No. _____.

Date Loan Funds due to Village (12 months from date of issuance): ____ / ____ / 2021.

Date Loan Forgiven by Village: ____ / ____ / 202__.

VERIFICATION OF ELIGIBLE PROJECT COSTS:

Verified as TIF Eligible Project Costs: Yes No (reason: _____)

Verification of TIF Eligible Project Costs received by TIF Administrator on ____ / ____ / 202__.

Reimbursed from TIF District No. ____ Fund to Economic Development Fund on ____ / ____ / 202__.

Verified as Other Eligible Project Costs (Not in a TIF District): Yes No (reason: _____)

Verification of Other Eligible Project Costs received by the Village of Milan on ____ / ____ / 202__.

Amount of Loan Funds Used for Eligible Project Costs: \$ _____.

Amount of Loan Funds Used for Ineligible Project Costs: \$ _____.