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The Lake County Commissioners have authorized two business assistance programs to benefit small for-profit businesses negatively impacted by the COVID-19 pandemic. In total, Lake County will distribute \$900,000 (1st and 2nd -round funds) to small businesses. Funding for the programs was provided by the Community Development Block Grant through the Federal CARES Act.

PROGRAM #1:

LAKE COUNTY MICROENTERPRISE EMERGENCY RELIEF GRANT PROGRAM

PROGRAM PURPOSE: Grants made under this program are being made with the intention to provide immediate funding to small businesses to meet their business needs and keep businesses operating, while retaining as many jobs for Lake County residents as possible in light of the severe economic hardships brought by the COVID-19 pandemic.

AMOUNT FUNDED: \$5,000 Maximum

USE OF FUNDS: Eligible costs for reimbursement include rent, payroll, utilities, inventory, marketing and other working capital needs. All expenses paid using Program funds must either be incurred by the business or paid by the business on or after March 15, 2020, and within 90 days of receipt of grant funds.

TYPE OF ASSISTANCE: Grant (no repayment of funds is required)

OTHER CRITERIA: This program is intended for private, for-profit businesses in Lake County with 5 or fewer employees (including the owner). The principal place of operations for businesses applying for these programs must be located within Lake County, with the exception of the City of Mentor and Waite Hill Village. This exclusion is a HUD rule specifying businesses with principal places of operation outside of the Urban County jurisdiction cannot apply for these Lake County funds.

At least 50% of the individuals employed by the business must be permanent residents of Lake County. Businesses that have received assistance through other sources such as the SBA's Paycheck Protection Program or EIDL Loan Advance assistance may apply, but will be subject to a review for duplication of benefits. Business must be negatively impacted by the COVID-19 pandemic. Businesses may only apply one time for grant assistance. Additionally, one (1) of the following eligibility criteria must be met:

- Ownership by a low-to-moderate income (LMI) household, or documenting at least 51% of employees are LMI; OR
- The business is located within a Low-to-Moderate Income Area (LMA) that is listed on the LMA Map; OR

- The funding will help retain at least one full-time position for a Low-to-Moderate Income employee who is at imminent risk of job loss without the funding (Note: this includes furloughed workers). It is anticipated that the funding would be used to supplement or aid job retention. Employees must be on payroll as W-2 workers and be considered Low-to-Moderate Income at the time of retention; OR
- The funding will hire at least one full-time position for a Low-to-Moderate Income-person (Note: this includes laid off workers). It is anticipated that the funding would be used to supplement or aid job creation. Employees must be on payroll as W-2 workers and be considered Low-to-Moderate Income at the time of their hire; OR
- The funding will meet an urgent need in the community.

PROGRAM #2

LAKE COUNTY EMERGENCY WORKING CAPITAL LOAN PROGRAM

PROGRAM PURPOSE: Lake County is prepared to help businesses through the economic impact of the COVID-19 pandemic. This loan fund is meant to further economic development, preserve employment opportunities for Lake County residents, and support the operations of small businesses during a time of need and emergency.

AMOUNT FUNDED: \$20,000 Maximum. There are no fees with this application and no closing costs.

USE OF FUNDS: Eligible costs for reimbursement include rent, payroll, utilities, inventory, marketing and other working capital needs. All expenses paid using Program funds must either be incurred by the business or paid by the business on or after March 15, 2020, and within 90 days of receipt of loan funds.

SECURITY: Blanket UCC filing on business assets.

TERM: This program will utilize a five (5) year, zero percent (0%) interest non-amortized loan. The loan balance is due at the end of the loan term in a balloon payment. There is no prepayment penalty. The principal is reduced for early payoffs following this schedule:

20% principal reduction if paid off during Year 1

15% principal reduction if paid off during Year 2

10 % principal reduction if paid off during Year 3

5% principal reduction if paid off during Year 4

OTHER CRITERIA: Business must have 25 full-time equivalents (FTE) or fewer. At least 50% of the individuals employed by the business must be permanent residents of Lake County. Business must create or retain jobs for at least one low to moderate income individual. Business must be negatively impacted by the COVID-19 pandemic. Businesses that have received assistance through other sources such as the SBA's Paycheck Protection Program or EIDL Loan Advance assistance may apply, but will be subject to a review for duplication of benefits. The principal place of operations for businesses applying for these programs must be located within Lake County, with the exception of the City of Mentor and Waite Hill Village. This exclusion is a HUD rule specifying businesses with principal places of operation outside of the Urban County jurisdiction cannot apply for these Lake County funds. Loan

recipients may apply during the second-round for additional loan funds (the full application process is required). Additionally, one (1) of the following eligibility criteria must be met:

- The business is located within a Low-to-Moderate Income Area (LMA) that is listed on the LMA Map; OR
- The funding will help retain at least one full-time position for a Low-to-Moderate Income employee who is at imminent risk of job loss without the funding (Note: this includes furloughed workers). It is anticipated that the funding would be used to supplement or aid job retention. Employees must be on payroll as W-2 workers and be considered Low-to-Moderate Income at the time of retention; OR
- The funding will hire at least one full-time position for a Low-to-Moderate Income person (Note: this includes laid off workers). It is anticipated that the funding would be used to supplement or aid job creation. Employees must be on payroll as W-2 workers and be considered Low-to-Moderate Income at the time of their hire.

Low-to-Moderate Income Limits:

Household Size	1	2	3	4	5	6	7	8
Income	\$42,600	\$48,650	\$54,750	\$60,800	\$65,700	\$70,550	\$75,400	\$80,300

A Low-to-Moderate Income Area (LMA), per HUD’s definition in Lake County, is an area where at least 47.93% of the residents are persons from Low-to-Moderate Income (LMI) households. Funding through HUD requires LMI persons are helped through grants, which is satisfied by using funding in an LMA.

	Community	Tract	Block Group	Percentage
1	Willowick	2002	1	54.42%
2	Willowick	2003	1	51.01%
3	Willowick	2004	1	55.67%
4	Wickliffe	2007	2	48.46%
5	Wickliffe	2009	2	52.07%
6	Willoughby Hills	2010	2	68.84%
7	Willoughby Hills	2010	3	49.57%
8	Willoughby	2012	1	63.37%
9	Willoughby	2013	2	65.00%
10	Willoughby	2012	4	48.80%
11	Willoughby	2017	1	49.68%
12	Eastlake	2021	2	54.10%
13	Eastlake	2021	1	48.60%
14	Mentor on the Lake	2024	1	52.35%
15	Mentor on the Lake	2025	2	52.19%
16	Mentor on the Lake	2025	3	53.22%
17	Fairport Harbor	2040	2	54.72%
18	Painesville	2042	1	54.89%
19	Painesville	2042	2	64.92%
20	Painesville	2042	3	47.93%
21	Painesville	2042	4	64.97%
22	Painesville	2043.02	1	69.91%
23	Painesville	2043.02	2	66.82%
24	Painesville	2044	1	51.50%
25	Painesville	2045	1	75.68%
26	Painesville	2045	2	81.38%
27	Painesville Twp.	2047	1	51.92%
28	Madison Twp.	2057.01	4	81.58%
29	Madison Twp.	2057.01	2	56.55%
30	Madison Twp.	2060	3	55.13%
31	Madison Twp.	2060	1	59.02%

Lake County Ohio

Targeted Low to Moderate Income Block Groups

