

COVID-19 Resource Guide for Small Businesses in Todd & Wadena County

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Guide Sponsored by:



Federal & State Loan Programs

Small Business Administration (SBA) Economic Injury Disaster Loan Program

Small businesses in Minnesota who are suffering substantial economic injury as a result of COVID-19 are eligible to apply for low interest federal disaster loans for working capital.

Loan Terms:

- Includes for-profit and non-profit businesses
- Businesses can receive up to \$25,000 (unsecured) and \$2 million (secured)
- The interest rates are 3.75% for small businesses and 2.75% for non-profits
- These are working capital loans that can be used for—fixed debts; payroll; accounts payable; and, other bills that could have been paid had the disaster not occurred.
- Term of the loan up to 30 years
- There is no cost to apply
- When applying for the loan, you can also apply for a \$10,000 advance grant

For more information, or to apply, visit: https://www.sba.gov/funding-programs/disaster-assistance?utm_medium=email&utm_source=govdelivery

To view a recorded lesson on filling out the EIDL application, visit:

https://minnstate.zoom.us/rec/share/7_l2dZiur01lQoHWw3jmef5mBI_vT6a8hyQc8qANzh2NjD-7zwXqAWQLL1l4Lt9j?startTime=1585678669000

SBA Payroll Protection Program

The Payroll Protection Program (PPP) is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for 8 weeks and the money if used for payroll, rent, mortgage interest, or utilities. At least 75% of the loan must be used for payroll costs.

Eligible Businesses:

- A small business with fewer than 500 employees
- A small business that otherwise meets the SBA's size standard
- A 501(c)(3) not-for-profit charitable organization with fewer than 500 employees
- An individual who operates as a sole proprietor
- An individual who operates as an independent contractor
- An individual who is self-employed who regularly carries on any trade or business
- A Tribal business concern that meets the SBA size standard
- A 501(c) (19) Veterans Organization that meets the SBA size standard
- If you are in the accommodation and food services sector (NAICS 72), the 500-employee rule is applied on a per physical location basis
- If you are operating as a franchise or receive financial assistance from an approved Small Business Investment Company, the normal affiliation rules do not apply

Loan Terms:

- The interest rate is 1.0%
- Term of the loan is 2 years
- The maximum loan amount is \$10,000,000

- Payments are deferred for 6 months, while interest continues to accrue
- No collateral or personal guarantees are required

To apply for a loan, you must work with a certified PPP lender. Certified lenders in Todd and Wadena County include:

Bank	City	Website
Central Minnesota Credit Union	Long Prairie, Grey Eagle, Wadena	mycmcu.org
Mid-Central Federal Savings Bank	Long Prairie, Staples, Wadena	www.midcentralbank.com
Wadena State Bank	Wadena	www.wadenastatebank.com
TruStar Federal Credit Union	Menahga	www.trustarfcu.com
Star Bank	Bertha, Eagle Bend, Verndale	www.starbank.net
Unity Bank	Clarissa, Staples	unitybanking.com
American Heritage National Bank	Browerville, Long Prairie	www.logbank.com
Minnesota National Bank	Long Prairie	www.mn-bank.com

For more information, visit: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>

SBA Express Bridge Loans

Express Bridge Loan Pilot Program allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly. These loans can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing and can be a term loans or used to bridge the gap while applying for a direct SBA Economic Injury Disaster loan. If a small business has an urgent need for cash while waiting for decision and disbursement on an Economic Injury Disaster Loan, they may qualify for an SBA Express Disaster Bridge Loan.

Loan Terms:

- Up to \$25,000
- Fast turnaround
- Will be repaid in full or in part by proceeds from the EIDL loan

For more information, visit: <https://www.sba.gov/document/support--express-bridge-loan-pilot-program-guide>

DEED Small Business Emergency Loans

The Minnesota Department of Employment and Economic Development (DEED) is creating an emergency loan program to help Minnesota small business owners who need immediate assistance to meet their families' basic needs during COVID-19 closures.

This is a unique program that is available to ALL businesses that have been adversely affected by the shut down due to the Governors Executive Orders 20-04 and 20-08. Including restaurants, bars, entertainment venues and salons/stylists. This is not an exhaustive list,

however you can find additional information by clicking this link.

<https://mn.gov/deed/business/financing-business/deed-programs/peacetime/>

Loans Terms:

- Range from \$2,500 to \$35,000 and will be based on the firm's economic injury and the financial need.
- Be interest free.
- Be paid back monthly over five (5) years and the first payment will be deferred six (6) months with potentially partial forgiveness.
- Be provided to only Minnesota-based businesses.

Businesses should apply through a certified lender. Certified lenders for Todd and Wadena County businesses include:

Lender	Email	Phone	Counties Served
North Central Economic Development Association	sbarney@regionfive.org	218-894-3233	Cass, Chisago, Crow Wing, Isanti, Kanabec, Mille Lacs, Morrison, Pine, Todd, Wadena
Initiative Foundation	Deed_emergloans@ifound.org	320-632-9255	Benton, Cass, Chisago, Crow Wing, Isanti, Kanabec, Mille Lacs, Morrison, Pine, Sherburne, Stearns, Todd, Wadena, Wright
African Development Center	habdi@adcmnnesota.org	612-333-4772 or 612-877-8264	Statewide
Central Minnesota Development Company	mike@cmdcbusinessloans.com		Statewide
Community and Economic Development Associates	loans@cedausa.com	507-867-3164	Statewide (rural counties only)
Entrepreneur Fund	info@entrepreneurfund.org	218-623-5747	Aitkin, Benton, Carlton, Cass, Cook, Crow Wing, Itasca, Kanabec, Koochiching, Lake, Mille Lacs, Morrison, Pine, St. Louis, Stearns, Todd
Latino Economic Development Center	info@ledc-mn.org	612-724-5332	Statewide

DEED Small Business Loan Guarantee Program

The Minnesota Department of employment and economic Development is creating the Minnesota Small Business Loan Guarantee Program, which will provide another option for financing to help business during the COVID-19 pandemic. DEED will not be the lender, but it will work with lenders throughout the state. Allowable loan uses for businesses in MN include:

- Machinery or equipment purchases, maintenance, or repair
- Expenses related to moving into or within MN
- working capital, when secured by fixed assets when possible

Only businesses with fewer than 250 employees are eligible to receive funding. The program will provide an 80% guarantee up to a maximum of \$200,000, making the maximum loan amount \$250,000. The program will be open for up to 12 months from the declaration of the peacetime emergency under Executive Order 20-01 on March 13, 2020.

A list of eligible lender will be available by the end of the week of March 30th, 2020 and can be found at: <https://mn.gov/deed/business/financing-business/deed-programs/loan-guarantee/#2>.

Regional Resources

Verizon Small Business Recovery Fund

Verizon, in partnership with the Local Initiatives Support Corporation, is providing grants of up to \$10,000 to businesses facing immediate financial pressure because of COVID-19. Grants can be used for paying rent and utilities; meeting payroll; paying outstanding debt to vendors; and other immediate operational costs.

To apply or learn more, visit: <https://www.lisc.org/covid-19/verizon-small-business-recovery-fund/>.

Central MN Emergency Relief and Recovery Fund

The Initiative Foundation has created the Central Minnesota Emergency Relief & Response Fund and seeded it with \$20,000 to support regional areas of need. Proceeds will be used to make grants to nonprofits and local units of government to assist disproportionately affected communities; to address the economic impacts of reduced and lost work resulting from the outbreak; to meet immediate needs of economically vulnerable populations caused by coronavirus-related closures; and to respond to increased demands placed on our stressed social support systems. Over the long-term, the fund can support recovery needs that will inevitably arise.

For more information and updates, visit: https://www.ifound.org/covid-19#news_&_updates_tab

Entrepreneur Fund Small Business Relief

The Entrepreneur Fund is creating the Small Business Relief Fund to provide financial grant assistance to business owners who are facing significant challenges, but do not qualify for local,

state, or federal relief. The Relief Fund will provide direct grants to small business owners in northeast and central Minnesota and northwest Wisconsin.

Grants for up to \$5,000 will be made on a weekly basis. A review committee will make selections based on the following priorities:

1. Businesses that are not eligible for other sources of local, state, or federal relief such as the SBA Disaster Assistance loans.
2. Businesses that serve as a core community staple such as child care, rural/community grocery stores, restaurants, etc.
3. Entrepreneur Fund's determination that the available loans and/or grants will make a discernible impact on the sustainability of the business.
4. Businesses where timing is of the essence.

For more information updates, visit: <https://www.entrepreneurfund.org/small-business-relief-fund/>

Staples-Motley Area Emergency Relief and Response Fund

This fund is only applicable to small businesses, organizations, and individuals in the Staples-Motley School District, ISD 2170. Hosted by the Staples Motley Area Community Foundation, this fund will be used to:

- Help local businesses who are impacted by COVID-19
- Help those whose jobs are affected or will be affected in the near future.
- Help those whose household utilities or housing may be affected, and more.

For more information, contact Katie Heppner, Staples Motley Area Community Foundation Chair, at 218-929-3015 or by email at smacf@ifound.org.

Staples COVID-19 Emergency Response Working Capital Loan Program

The Staples Economic Development Authority (SEDA) is offering this loan program to businesses or independent contractors that were either forced to cease or reduce operations due to the Governor's Emergency Executive Order 20-04 on 3/16/20, 20-08 on 3/18/20, 20-18 3/25/20, 20-20 3/25/20, and 20-33 on 4/8/20. Qualifying businesses must be able to demonstrate financial hardship due to the Emergency Executive Order through a letter explaining needs.

Loan Terms

- Maximum loan amount is \$7,500
- Interest free
- Loan is payable over a 7-year period of time with payments deferred for 6 months after the execution of the loan
- Loan application fee is waived. Recording and any other fees will be added to the loan
- The following expenses are considered eligible to count towards the loan amount:
 - Utility bills (water, sewer, garbage, electric, natural gas)
 - Rent
 - Invoices from vendors
 - Employee wages, associated taxes, and benefits
 - Property taxes

- Property and liability insurance
- Debt payments

For more information, or to apply, visit:

https://staples.govoffice.com/index.asp?SEC=0A404404-466A-4D96-BF2B-C659AF3D32E1&DE=254095B2-5A3D-4ACF-A235-CD375E512A94&Type=B_PR

Wadena COVID-19 Emergency Minnesota Investment Fund (MIF) Loan Program

The Wadena Development Authority (WDA) is offering this loan program to businesses within Wadena city limits that have been ordered to close and cease operations because of the following Executive Orders: 20-04 issued on March 16, 2020, 20-08 issued on March 18, 2020, 20-18 issued on March 25, 2020, 20-20 issued on March 25, 2002, and 20-33 issued on April 8, 2020. Examples of qualifying businesses are massage therapy, hair salons, and certain retail establishments. The qualifying business must be able to demonstrate a financial hardship due to the Emergency Executive Orders. Priority will be given to a business that has been denied Paycheck Protection Program (PPP), Economic Injury Disaster Loan (EIDL), or other State or Federal assistance funding.

Loan Terms:

- Maximum loan amount is \$5,000
- Interest free
- The loan is amortized at 80% over a two-year period of time with payments deferred for 6 months after the execution of the loan. Twenty percent (20%) of the loan is forgivable.
- There is no loan application fee. Recording, legal, and any other fee will be deducted from loan proceeds.
- The following expenses are considered eligible for loan funding:
 - Utility bills
 - Rent
 - Invoices from vendors
 - Employee wages, associated taxes, and benefits
 - Property taxes payable for the current period
 - Property and liability insurance

Applications will be accepted May 18 through June 5, 2020. For more information, or to apply, visit <https://www.wadena.org/>.

Local Contacts

There are local economic development professionals who want to help you and your business during this critical time. Please feel free to contact them with any questions you have, or about local gap and bridge funding opportunities.

Name	Organization	Service Area	Phone	Email
Katie Heppner	The Economic Alliance	Wadena County	218-929-3015	wceda@wcta.net
Rick Utech	Todd County Development Corp.	Todd County	320-732-2128	Rick.utech@todd.co.mn.us
Melissa Radermacher	Staples Economic Development Authority	Staples	218-894-2550/218-296-2254	mradermacher@ci.staples.mn.us
Dean Uselman	Wadena Development Authority	Wadena	218-632-2757	wda@wadena.org

Tax Information

Income Taxes

The Minnesota Department of Revenue is providing additional time until July 15, 2020 for taxpayers to file and pay 2019 Minnesota Individual Income Tax without any penalty and interest. This includes all estimated and other tax payments for tax year 2019 that would otherwise be due April 15, 2020. It does NOT include:

- Estimated payments for Minnesota income taxes due April 15 for the 2020 tax year
- Corporation Franchise, S Corporation, Partnership, or Fiduciary taxes, though these taxpayers can receive an automatic filing extension. See Business Taxes (below) for details.

If you cannot file or pay by July 15, 2020 you can ask the Minnesota Department of Revenue to cancel or reduce penalties, additional tax, and interest for late filing or payment if you have a reasonable cause, including emergency declarations by the president and governor due to COVID-19. Requests can be made after you are notified of a penalty. Please visit <https://www.revenue.state.mn.us/penalty-abatement-information-individuals> for more information.

The IRS extended the deadline for 2019 federal income tax returns, payments, and 2020 estimated payments to July 15, 2020, for individuals and businesses.

Business Taxes

Sales Tax Payment Extension for Eligible Businesses

The Minnesota Department of Revenue is granting a 30-day Sales and Use Tax grace period for businesses required to suspend or reduce services under Executive Order 20-04. During this time, the department will not assess penalties or interest. Identified businesses with a monthly Sales and Use Tax payment due March 20, 2020, have until April 20 to make that payment. These businesses should have still filed their return by March 20. For a list of businesses included in the executive order, visit https://mn.gov/governor/assets/2020_03_16_EO_20_04_Bars_Restaurants_tcm1055-423380.pdf.

Gambling Tax Payment Extension

The Minnesota Department of Revenue is granting a 30-day grace period for Lawful Gambling Tax payments for organizations that request an extension for their March 20 payment. Businesses and nonprofit organizations that request an extension by March 27 will have until April 20 to make that payment. These taxpayers should still file their return by March 20, if possible. For taxpayers who cannot do so, the department will allow a filing extension until April 20 if it was request by March 27. At this time, the grace period for penalty and interest is only for the March 20 payment.

Taxpayers can request additional relief from penalty and interest after April 20 for reasonable cause, including emergency declarations by the president and governor due to COVID-19. For abatement information for businesses, visit <https://www.revenue.state.mn.us/abatement-information-businesses>.

MinnesotaCare Tax Filing Extension

The Minnesota Department of Revenue is granting a 60-day extension for MinnesotaCare tax returns for organizations that request an extension for their March 16 return. This applies to Provider Tax, Hospital Tax, Surgical Center Tax, Wholesale Drug Distributer Tax, and Legend Drug Use Tax.

Organizations that request a filing extension by April 15 will have until May 15 to file their return. Taxpayers can request relief from penalty and interest for late payments for reasonable cause, include emergency declarations by the president and governor due to COVID-19. For abatement information for businesses, visit <https://www.revenue.state.mn.us/abatement-information-businesses>. Organizations can request an extension by email at MinnesotaCare.tax@state.mn.us or secure message in e-Services; the request should include the organization's name, address, and federal and state tax ID numbers.

Business Income Taxes

The Minnesota due date has not changed for Corporation Franchise, S Corporation, Partnership, or Fiduciary taxes. However, under state law:

- C corporations receive an automatic extension to file their Minnesota return to the later of 7 months after the due date or the date of any federal extension to file.
- S corporations, partnerships, and fiduciaries receive an automatic extension to file their state return to the date of any federal extension to file.
- At this time, the IRS has not changed the filing or payment due dates for any taxpayers other than those who are due on April 15

The payment date has not changed. Taxpayers can request relief from late-filing or late-payment penalties and interest for reasonable cause, including emergency declarations by the president and the governor due to COVID-19. For abatement information for businesses, visit <https://www.revenue.state.mn.us/abatement-information-businesses>.

For more information on the Minnesota Department of Revenue's response to COVID-19, visit <https://www.revenue.state.mn.us/our-response-covid-19>.

For more information on the IRS's response to COVID-19, visit <https://www.irs.gov/coronavirus>.

Additional Resources

Worker Resources

- [Information and Resources for Workers](#)
- [Information for people who have lost their jobs or had their hours cut because of COVID-19](#)
- [Families First Coronavirus Response Act: Employee Paid Leave Rights](#)

Employer Resources

- [Information and Resources for Employers](#)
- [Families First Coronavirus Response Act: Employer Expanded Family and Medical Leave Requirements](#)

Health Resources

- [Minnesota Department of Health](#)
- [Centers for Disease Control and Prevention](#)
- [World Health Organization](#)
- [Helping Older Adults during COVID-19](#)