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CITY OF MUSCATINE PRESS RELEASE

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CITY TO OFFER ECONOMIC ASSISTANCE TO SMALL BUSINESSES

Muscatine is taking steps to help small businesses affected by the COVID-19 outbreak

MUSCATINE, Iowa – The City of Muscatine has established a loan program designed to provide financial assistance to local small businesses affected by the COVID-19 outbreak. The *Economic Assistance for Muscatine Small Businesses* program is being implemented to ensure Muscatine’s economy can rebound as quickly as possible from the impacts of the COVID-19 outbreak.

Funds for the program are being made available from present and future Small Business Forgivable Loan Program allocations. The Muscatine City Council approved the use of up to \$400,000 for short-term forgivable loans at its April 16 meeting.

“We recognize that we have to step up, and not in a minor way, to make sure that we can get past this,” Greg Jenkins, Muscatine Interim City Administrator said.

The program will be administered by the City’s Department of Community Development and will be administered much the same way as the Small Business Forgivable Loan program.

Applicants will need to be a for-profit business that has been in operation prior to March 1, 2019. The number of employees is limited to a maximum of 25 (including sole proprietor), and the business must be able to demonstrate a loss in revenue due to the COVID-19 outbreak. The loans can be forgiven based on a six-month review of the loan. Businesses must not have any liens held by the city, county, or state nor have already received aid from other state and/or federal sources.

Up to \$2,500 will be available to each approved business for legitimate business expenses such as rent, mortgage, utilities, inventory, or personnel.

The City of Muscatine is working with the Community Foundation of Greater Muscatine to develop the application that will be available on the [City](#), the [Foundation](#), and the [Chamber of Commerce](#) websites.

The application period will open May 1 with a deadline for submission of May 7.

A loan review committee of city staff, individuals from the banking community, and a representative from City Council will review the applications by May 12. The committee is similar to the one established for the Small Business Forgivable Loan program. A scoring matrix will be used to evaluate applications based on a variety of factors including eligibility, demonstrated need, and ability to execute a loan agreement.

“It is our objective to complete this process and get the funds to the businesses by the middle of May,” Jenkins said. “We want to provide as much help as we can so that our economy can rebound as quickly as possible.”

For more information, click on the small business icon in the upper right hand side of the City of Muscatine landing page or click here to go to [ECONOMIC PROGRAMS](#)